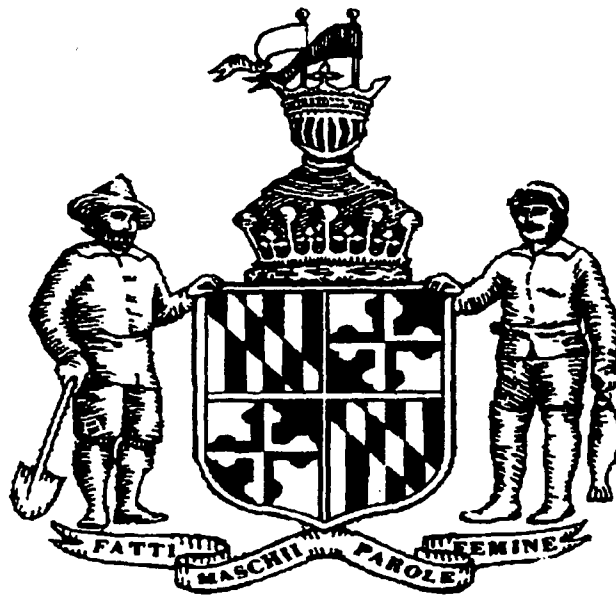


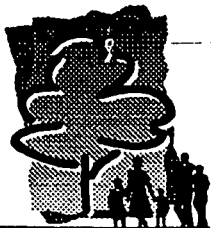
Final Report of the Governor's Task Force on Children, Youth, and Families Systems Reform

Recommendations to Governor Parris N.
Glendening on Reforming Maryland's System of
Services to Children and Families



NOVEMBER, 1996

Lt. Governor Kathleen Kennedy Townsend, Chair



State Of Maryland ♦ Executive Department
OFFICE FOR CHILDREN, YOUTH, AND FAMILIES

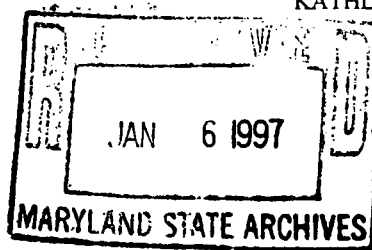
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Placing The Needs Of
**Children &
 Families**
FIRST

PARRIS N. GLENDENING
 Governor

LINDA S. THOMPSON, Special Secretary
 Children, Youth, and Families

KATHLEEN KENNEDY TOWNSEND
 Lieutenant Governor



MEMORANDUM

To: Interested Persons
From: Jennifer Caraway *Jennifer*
 Governor's Office for Children, Youth and Families
Subject: Final Report of the Governor's Task Force
Date: December 3, 1996

Enclosed, please find a copy of the Final Report of the Governor's Task Force on Children, Youth and Families Systems Reform: Contained in the document are the recommendations of the Task Force to Governor Parris N. Glendening on reforming Maryland's system of services to children and families.

If you have any questions concerning this document or any other Task Force related issues, please feel free to contact either myself at 410-767-6258 or Colleen Mahony of the Lieutenant Governor's Office at 410-974-5394.

**Final Report of the
Governor's Task Force on Children,
Youth, and Families Systems Reform**

Recommendations to Governor Parris N.
Glendening on Reforming Maryland's System of
Services to Children and Families

November, 1996

Lt. Governor Kathleen Kennedy Townsend, Chair



KATHLEEN KENNEDY TOWNSEND
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November 25, 1996

Dear Governor:

It is with great pleasure that I submit this report, *Recommendations to Governor Parris N. Glendening on Reforming Maryland's System of Services to Children and Families*, prepared by the Governor's Task Force on Children, Youth, and Families Systems Reform.

You created this Task Force to answer the questions and concerns raised at both the State and local levels regarding the future of Maryland's systems reform efforts. Systems reform in Maryland has been a ten year effort to make children and family services more accountable and effective. The Task Force worked diligently over the last six months to address the complex questions which emerged. The Task Force believes that the recommendations will support the development of strong families.

The Task Force recognized the value of an open and inclusive process for gathering and sharing information. Based on testimony presented at four regional public meetings held around the State in early 1996, assistance from nationally recognized systems reform consultant Charles Bruner and financial strategist Mark Friedman, and analysis of reform efforts in other states, the Task Force distributed its initial draft recommendations in October. In response to comments received at three regional public meetings held across the state that same month, the Task Force significantly revised these initial recommendations.

The final report presents the following three major recommendations to guide the future systems reform efforts in Maryland. It is the recommendation of the Task Force that Maryland:

- enact a results-based system,
- expand local authority to determine service needs, and
- create a State Commission on Children, Youth, and Families.

A Results-Based System - All of our research--including focus groups conducted by systems reform consultants, extensive public input and seven regional hearings--reveals a need to measure the performance of our service systems in an objective manner. Once we are able to measure the quality of the services the State and local jurisdictions provide, we will better understand what works and what does not. Performance measurements will also allow us to hold ourselves accountable for results. Thus, our future efforts will focus on building a system in which results can be measured, evaluated, and improved.

The Task Force has agreed that Maryland's systems for children and families should pursue the following nine results:

- babies born healthy
- healthy children
- healthy adults
- children ready to learn when they enter school
- children successful in school
- children completing school
- communities which support family life
- children safe in their families and communities
- stable and economically independent families

These results will provide the framework within which Maryland crafts its budgets, local jurisdictions determine their priorities and State and local government are held accountable for improving the lives of Maryland's children and families.

Expanded Local Decisionmaking - The decisions regarding HOW to achieve these results will be made at the local level. The chief elected officials in each jurisdiction will appoint individuals to serve on the local management board, a public-private planning and management oversight council in each jurisdiction. The local management boards will be made up of representatives from the local child-serving agencies, the local business community, local service providers, parents, and other interest groups. The local management boards will make the service delivery decisions that support the results they want to achieve. These local representatives know their neighborhoods and the challenges that they face and are thus, far better suited to decide how to meet these challenges than State government. The State, which maintains ultimate responsibility for the provision of mandated services and compliance with all State and federal law, will hold the local jurisdictions accountable for meeting agreed-upon outcomes.

A State Commission on Children, Youth, and Families - Recognizing that these children and family issues cut across Maryland's social, economic and geographic boundaries, and acknowledging the need to have broad and diverse public participation in this effort, the Task Force recommends the establishment of a State Commission on Children and Families. This public-private partnership would include representatives from State and local governments, local management boards, child advocacy groups, and the business community. The Commission would advise the Governor on the issues relating to children and families.

During its deliberations, the Task Force was frequently reminded that a "one size fits all" approach to systems reform is not possible. Indeed, our State is diverse and experiences with systems reform have varied. Some counties are ready to take on greater responsibility for the

delivery of services in their community and believe the State has not answered important fiscal and administrative questions. Other counties do not see the benefits of systems reform and are not as eager to assume responsibility for services to children and families in their communities.

While reaffirming the need for systems reform efforts in every jurisdiction, the Task Force has responded to the unique needs of individual jurisdictions by ensuring the following:

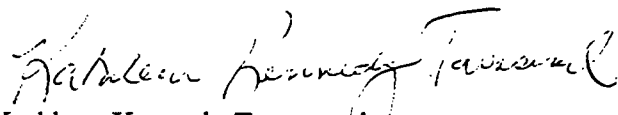
- better and more consistent communication between State and local jurisdictions - a state/local work group of Deputy Secretaries and the Executive Directors of the Maryland's systems reform sites is now meeting on a monthly basis,
- the creation of a state/local working group to resolve FY 1997 budgetary disputes and make recommendations to the Subcabinet,
- a single point of contact within the Office of Children, Youth, and Families for the local jurisdictions, pending the appointment of the State Commission.

With your direction and the recommendations of this report, the Task Force suggests the creation of a small transition team to continue the positive momentum of the Task Force. This team would build on the work and experience of the Task Force. Membership should be drawn from existing Task Force members with one or two additional positions added to infuse fresh ideas and perspectives into the deliberations. Issues the transition team would address include: possible legislation needed to implement the proposed reforms; prevention goals for both the short- and long-term; and, implementation of the FY 1998 Subcabinet Fund.

Two sections of the report merit special attention. The first section, *Frequently Asked Questions and Answers*, provides a summary of the Task Force recommendations through answers to questions often heard at the regional public meetings. The second section, *Issues and Recommendations*, outlines the framework for the Task Force's work on outcomes, the guiding principles of systems reform as identified by the Task Force, the proposed State and local structures, and the issues associated with local authority and management. The balance of the report discusses the creation of the Task Force, offers insights into how the Task Force sought public involvement, and guides you through the work of the Task Force over the last six months. While not every issue raised by the public and members of the Task Force could be answered within this report, the Task Force made definite strides toward a better system of services for Maryland's children and families.

The members of this Task Force are proud of their work and we thank you for your support and interest in our efforts to see that Maryland's children are safe, well cared for, and well educated.

With warm wishes,



Kathleen Kennedy Townsend

Lt. Governor
Chair, Governor's Task Force on
Children, Youth and Families Systems Reform

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Mission of Systems Reform

***As adopted by the Governor's Task Force on Children, Youth,
and Families Systems Reform***

The mission of services to children and families in Maryland as outlined in Article 49D Ann. Code of MD is to promote a stable, safe, healthy environment for **ALL** children and families, thereby increasing self-sufficiency and family preservation. This requires a comprehensive, coordinated interagency approach providing a continuum of care that is family and child-oriented and emphasizes prevention, early intervention, and community-based services. Priority shall be given to children and families most at-risk.

TASK FORCE MEMBERSHIP LIST

Kathleen Kennedy Townsend
Lt. Governor
Task Force Chair

Nancy Grasmick
State Superintendent of Schools
Program Subcommittee Chair

Fred Puddester, Secretary
Department of Budget and Management
Fiscal Subcommittee Chair

Winifred Wilson, Executive Director
Commission for Children, Youth, and
Families - Prince George's County
Program Subcommittee Vice Chair

Margaret Myers, President
Caroline County Commissioners
Fiscal Subcommittee Vice Chair

George Brosan, Citizen Representative
Anne Arundel County Local Management
Board

Alvin Collins, Secretary
Department of Human Resources

Donna Edwards, President- Council 92
American Federation for State & County
Municipal Employees (AFSCME)

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The Annie E. Casey Foundation

Donna Gaither, President
Baltimore City Local Management Board

Barbara Hoffman, Senator
Senate of Maryland

Joan Karasik, Citizen Representative
Montgomery County Local Management
Board

Nancy Kopp, Delegate
Maryland House of Delegates

Ronald Kreitner, Director
Maryland Office of Planning

Susan Leviton, Founder
Advocates for Children and Youth

Jim McComb, Executive Director
Maryland Association of Resources for
Families and Youth (MARFY)

Jack Mead, Education Representative
Harford County Local Management Board

Norman Parker, Jr., Dpty. Attorney General
Office of the Attorney General

Patricia Payne, Secretary
Department of Housing and Community
Development

Connie Pullen, Vice-Chair
Mid Shore Local Management Board

Beatrice Rodgers, Director
Office for Individuals with Disabilities

Stuart Simms, Secretary
Department of Juvenile Justice

Jolene Sullivan, Director
Carroll County Dept. of Citizen Services

Linda Thompson, Special Secretary
Office for Children, Youth, and Families

Martin Wasserman, Secretary
Department of Health and Mental Hygiene

Martin P. Welch, Associate Judge
Circuit Court Baltimore City

LIST OF DEFINITIONS

- Result--** A condition of well-being for families, children or communities.
For example: Children succeeding in school.
- Indicator--** A measure, for which data is available, which helps quantify the achievement of outcomes.
For example: Reading scores
- Performance Measure--** A measure of the effectiveness of agency or program service delivery.
For example: Participant student reading scores
- State Plan for Children, Youth and Families--** A multi-year plan, developed by the Commission on Children and Families, which sets out the Statewide agenda for implementing the recommendations of the Task Force for Children, Youth and Families Systems Reform.
- City\County Plan for Children, Youth and Families--** A multi-year plan, developed by the Local Management Board of each jurisdiction, which sets out the jurisdiction's agenda for implementing the recommendations of the Task Force for Children, Youth and Families Systems Reform.
- Annual Grant Agreement--** The annual agreement, between local and state entities, articulates the programmatic and fiscal responsibilities for the fiscal year. The grant agreement would cover the programmatic and fiscal responsibilities of the parties including, but not limited to, results to be achieved, State and federal funds to be used, and other responsibilities to be determined.
- Vision to Scale-** A term used to describe a local jurisdiction's efforts to implement a full continuum of integrated services to children and families throughout the jurisdiction.
- Local Management Board-** A local public\private entity responsible for planning, setting goals, allocating resources, and developing, implementing and monitoring interagency services to children and families. Local Management Boards may organize in one of three ways:
- 1.) A quasi-public nonprofit corporation not to be considered an instrumentality of the local government;
 - 2.) A public agency to be considered an instrumentality of the local government; or,
 - 3.) A regional nonprofit corporation or public agency to represent multiple jurisdictions.

FREQUENTLY ASKED QUESTIONS AND ANSWERS REGARDING THE TASK FORCE REPORT AND RECOMMENDATIONS

1. WHAT IS SYSTEMS REFORM?

Systems Reform restructures the State's human services delivery system so that Maryland's children and families can build on their capacity to be self-sufficient, safe and healthy. Systems reform means new and innovative ways of providing services. It embodies three things; 1) identification and accountability of the results to be achieved, 2) collaboration among the State and local players as well as between the State and local levels, and 3) a service delivery system that is locally managed and controlled and accountable to the State government.

2. WHY WAS THE TASK FORCE FOR CHILDREN, YOUTH AND FAMILIES SYSTEMS REFORM CONVENED?

Over the past decade, Maryland has been engaged in ambitious effort to reform the systems that affect the State's most vulnerable children and families. As this reform agenda progresses, Maryland faces a number of demanding challenges. They include:

- Providing services to more children and families in need,
- Shifting the programmatic focus to prevention and early intervention services and,
- Strengthening the decisionmaking capacity at the local level.

Recognizing these and other challenges that face Maryland and signaling his continued commitment to the well-being of Maryland's children and families, the Governor convened a task force on systems reform. With Lt. Governor Kathleen Kennedy Townsend as Chairperson, the Governor charged the Task Force to review Maryland's current systems of service delivery and to recommend any necessary changes that would improve these systems.

3. WHAT ARE THE TASK FORCE'S MAJOR RECOMMENDATIONS TO THE GOVERNOR AND HOW DO THE RECOMMENDATIONS CHANGE THE CURRENT SYSTEMS REFORM STRUCTURE AND OPERATIONS?

The Task Force recommendations provide a framework for moving forward with Maryland's systems reform process. Recommendations which provide the cornerstones to this new framework are:

- ***Results are Key*** - The reform efforts are results-based and provide an accountable service delivery system. For the first time, Maryland will measure how well children and families are being served by the local child serving agencies. Meeting these results makes the whole State accountable. Meeting these results will also drive budget decisions. Most important, meeting these results will drive service delivery decisions.

- ***Private Citizens, State and Local Governments Work Together*** - The new State Commission on Children, Youth and Families will include State and local government representatives as well as private citizens who can collectively advise the Governor on the best ways to build strong and healthy families. The Commission will be a direct link for local and private citizen involvement in directing the policies governing the provision of services to children and families.
- ***Local Authority to Determine Service Needs is Enhanced*** - The proposed framework encourages greater local flexibility as each local jurisdiction assumes a level of funding and program management with which they feel most comfortable. In this regard, jurisdictions can move beyond the two populations currently served -- family preservation and children returned or diverted from an out-of-state placement -- and assume responsibility for the entire continuum of care for children and families residing within their boundaries. Jurisdictions can also elect to start with a smaller part of the continuum (i.e., prevention) if they so choose. As long as the jurisdiction can meet the results that they have chosen, they can also decide on the service providers within their jurisdiction.
- ***All Children and Family Funding is Available*** - The proposed framework assumes all children and family service funds will be available to the jurisdictions as they craft their service delivery systems. Local jurisdictions will be supported in their desire to move beyond the two populations currently served -- family preservation and children returned or diverted from out-of-state placements. The Task Force recommends a renewed emphasis be placed on prevention and early intervention programs and services within these systems.

With regard to changes from the current systems reform structure and operations, the Task Force recommendations actually build upon the progress of the systems reform efforts, to date. For example;

- the new State Commission on Children, Youth and Families expands on the existing Subcabinet for Children, Youth and Families
- the role of local management boards is re-affirmed and,
- the pooling of funds at the State and local levels is encouraged.

4. IF THE GOVERNOR ACCEPTS THE RECOMMENDATIONS OF THE TASK FORCE, WHAT WILL BE THE IMMEDIATE NEXT STEPS FOR IMPLEMENTING THE RECOMMENDATIONS?

The Task Force report includes a proposed transition strategy that will be acted upon, assuming the Governor's approval of the Task Force recommendations. Key elements of the strategy include:

- the designation of an individual to move forward with the phase-in process,

- the appointment of a transition team to oversee the initial implementation of the Task Force recommendations and,
- gubernatorial appointments to the State Commission on Children, Youth and Families.

5. *AS THE RECOMMENDATIONS ARE BEING IMPLEMENTED, WHAT WILL HAPPEN DURING THE INTERIM PERIOD TO KEEP THE REFORM PROCESS MOVING FORWARD AND ENSURE THAT LOCAL JURISDICTIONS ARE ADEQUATELY FUNDED FOR FISCAL YEARS 1997 AND 1998?*

The Task Force recommends that a transition team be appointed to continue work of the Task Force. The team will make recommendations to the Governor on ways to continue the solid work of the Task Force in moving the systems reform process ahead.

In addition, a workgroup of representatives from the local management boards and the State team of deputy secretaries and chief budget officers has been convened to address ongoing operational issues with the Subcabinet Fund. The Task Force report recommends that the workgroup move to resolve a number of the more time sensitive issues within a nine month timeframe. (See Page 21).

6. *SPECIFICALLY, HOW WILL THE \$98 MILLION OF FY 1997 POOLED FUNDING BE ALLOCATED TO THE LOCAL JURISDICTIONS?*

Earlier this summer, in response to concerns raised at a Task Force meeting, the Lieutenant Governor convened a group of State and local representatives to discuss specific issues with the FY 1997 Subcabinet Fund.

This group met several times and developed a series of decision points that specifically addressed the allocation of the \$98 million Subcabinet Fund:

- \$37.5 million is allocated to the 15 jurisdictions with operating LMBs to cover family preservation, return\diversion and out-of-state placement services.
- \$2 million is set aside to honor the agreements with our Youth Services Bureaus.
- The remaining \$59 million will be used to fund existing services at the FY 1996 level.

7. *WHAT PROVISIONS WILL BE IN PLACE TO ADDRESS FISCAL LIABILITY FOR SERVICES AT THE LOCAL LEVEL IF THERE ARE NOT SUFFICIENT FUNDS, i.e., INCREASED COURT PLACEMENTS OF DELINQUENTS, INCREASED SPECIAL EDUCATION PLACEMENTS DUE TO DUE PROCESS HEARINGS?*

As noted on Page 15 of the report, it is the State's intention to retain ultimate responsibility for the provision of mandated services and to continue its primary funding responsibility for these services.

8. WHAT FORMULA WILL THE STATE USE FOR DETERMINING RETURN\DIVERT AND FAMILY PRESERVATION ALLOCATIONS TO THE LOCAL JURISDICTIONS?

The funding formulae for FY 1997 for family preservation and return\diversion services are:

- Children returned from out-of-state placements will be funded at rate equal to the general funds for an annualized residential treatment center placement.
- Children diverted from an out-of-state placement will be funded at the designated rate for each jurisdiction. However, a State\local group will be convened to re-examine these rates and to analyze all the issues associated with this population.
- Family preservation will be funded at \$8,984 per family.

9. WILL THE STATE STILL PROVIDE INCENTIVE FUNDS TO LOCAL JURISDICTIONS? WILL THE CURRENT SITES RECEIVE PAYMENTS FOR PREVIOUS AGREED UPON INCENTIVES?

The above-mentioned funding formulae move away from the past practice of deferred payment of incentives by providing funding for services on an "up-front" basis.

As for incentives due from previous years, the Governor's Office for Children, Youth and Families is calculating past incentives due to the operating jurisdictions. Once these calculations are completed, the Transition Team will review the incentives that are due.

10. WHAT ARE THE ACCEPTABLE ADMINISTRATIVE COSTS FOR HANDLING POOLED FUNDING AT THE LOCAL LEVEL? WHAT TYPE OF FLEXIBILITY WILL BE AVAILABLE FOR USE OF THE POOLED FUNDING THAT IS TARGETED FOR CERTAIN SERVICES, i.e., THE YOUTH SERVICE CENTERS?

The Task Force acknowledges that administrative costs at the local level is a critical issue. It is anticipated that the State\Local workgroup (See *Question 4*) will address this issue.

Regarding flexibility with pooled funds, the Task Force feels that the provision of current services should not be disrupted. As the local jurisdictions move forward in identifying community needs and planning for results-based systems, the local jurisdictions will decide how or if such targeted programs and dollars will be part of their service delivery systems.

11. WILL THE POOLED FUNDS BE EXPANDED IN FY 1998?

The results-based system that the Task Force recommends certainly lends itself to a larger pool of funds and that may include funding for "Vision to Scale" models at the local level.

12. WILL THE STATE ACCEPT PROPOSALS FOR "VISION TO SCALE" MODELS?

YES! The State is eager to assist local jurisdictions in moving towards the achievement of the results outlined in the report. The proposed Task Force transitional strategy include a time frame for the development and implementation of jurisdictional pilots.

13. WHO WILL BE THE SINGLE STATE CONTACT FOR THE LOCAL JURISDICTIONS THROUGH THE INTERIM PERIOD?

The Governor's Office for Children, Youth and Families will serve as the single State contact during the transition period.

14. HOW CAN CITIZENS GET A COPY OF THIS REPORT?

Copies of the report are available on request, by calling the Governor's Office for Children, Youth and Families on (410) 767-4160. In addition, the report can be accessed via the Internet on "<http://www.mop.md.gov/ocyf>".

I. THE CHALLENGE

The State of Maryland is committed to the health and well-being of its children and families. Maryland's citizens and government have dedicated a great deal of time, talent and resources to ensuring that children and families are safe and happy. However, we know we can do better for our children and families. We know that State government could use the money it spends on children and families in a more effective and efficient way. And we also know that while Maryland is a State with a wealth of resources, one need only review the litany of sobering statistics recounted in the KIDS COUNT fact book to recognize that much needs to be done to fulfill our responsibility to the children and families in our communities.

For the better part of a decade, Maryland has been engaged in an ongoing process to restructure its human service delivery systems, by making them more effective, efficient, and responsive to the needs of children and families (See *Appendix A*). Commonly referred to as "systems reform," this effort was supported by a \$7.5 million grant from the Annie E. Casey Foundation in 1988. The reform initially focused on two specific populations of children and families--children returned or diverted from an out-of-state placement and families in need of family preservation services. These populations were selected based on the assumptions that successes from such interventions could be easily measured and financial savings could be easily captured and reinvested. Advantages to starting with these specific populations were:

- Improved collaboration among and between State and local agencies. Because the children and families served often need services from more than one agency, State agencies worked together more closely in setting policies while the local agencies worked together more efficiently in coordinating the services provided.
- Children returned from expensive out-of-state placements and served within their communities, closer to home.
- Increased financial savings available for innovative projects, as determined at the local level.

Maryland's reform agenda shifted the service delivery focus for these two populations to the local level with the belief that the best service delivery decisions are made closest to where the services are actually delivered. Together, State and local representatives implemented and strengthened local private/public partnerships, now known as local management boards (LMBs). (Currently, fifteen jurisdictions have an operational LMB.) With the LMBs serving as the cornerstone of the reform effort, systems reform proponents sought to develop service delivery systems that would:

- Promote family-centered, home and community based services,
- Shift the focus to prevention and early intervention efforts,
- Ensure funds from State agencies are easily accessible and reflect the

- priorities of the Subcabinet for Children, Youth and Families and LMBs and, Emphasize oversight, monitoring, collaboration and accountability through the Subcabinet.

Even with the early successes, when analyzing Maryland's service delivery system as a whole, there was a consensus that more could still be done, specifically with regard to shifting the programmatic focus to prevention and early intervention activities and involving a wider array of State and local interests, as well as private citizens. In addition, many important service, governance and fiscal issues were left unresolved for many years. The enactment of the FY 1997 Subcabinet Fund budget and its subsequent allocation proved to be a catalyst for highlighting the weaknesses within the reform efforts. Maryland's reform effort needed new energy and direction from the highest levels of state government.

The Governor, signaling his continued commitment to children and families, provided the much needed energy to Maryland's reform efforts by convening the Task Force on Children, Youth and Families Systems Reform. He chose the Lieutenant Governor to serve as Chair of the Task Force and appointed to the Task Force a wide spectrum of individuals interested in reforming the ways services are delivered to Maryland's children and families. The Task Force sought and gained real input, public participation and open debate during its deliberations. The recommendations in this report reflect the thoughtful input from Task Force members, the real life experiences from citizens and workers who have been part of the service delivery system, as well as the genuine desire expressed by citizens to see Maryland serve its children and families better. These recommendations move Maryland forward in meeting our responsibility to the children and families of this great State.

II. GAINING PUBLIC INPUT

Task Force Composition and Structure

Maryland, a diverse State with a wealth of experience in systems reform efforts, is committed to seeing that its children and families are well-educated, self-sufficient and secure. The individuals appointed to the Task Force and to serve as staff represented the broad range of issues and interests involved in reforming services and the service delivery system. The composition of the Task Force respected geographic and cultural diversity, and rural/urban balance (See *Appendices C and D*). Task Force members included representatives of:

- Local Management Boards
- Governor's Subcabinet for Children, Youth and Families
- Maryland General Assembly
- Maryland Judiciary
- Maryland Association of Counties
- Private\Non-profit Service Providers
- State\Local Employees
- Parents
- Business Community
- Child\Family Advocacy

- Private Foundations Supporting Improvements in Children and Family Services

At the Governor's request, the Lieutenant Governor chaired the full Task Force. In order to organize its work, the Task Force divided into two subcommittees, the Program Subcommittee and the Fiscal Subcommittee, with each subcommittee having a Chair and Vice-Chair. Each Task Force member served on one of the Subcommittees.

Regional Public Hearings

The Task Force held two series of regional public meetings throughout the State to gain public input on the best ways to provide services to children and families. The first series was held in June and July to gather information on what programs the public believed effective, what programs needed assistance, and suggestions on the types of support and assistance the public viewed as necessary to provide the best services possible for Maryland's children and families. The second series of public meetings was held in mid-October to receive public comments on the draft recommendations of the Task Force.

For the first series of meetings, LMBs selected four sites: Howard High School in Ellicott City on June 15, Anne Arundel Board of Education Building in Annapolis on June 20, Easton Armory on July 2, and Allegeny Community College in Cumberland on July 15. The LMBs invited private citizens, advocacy organizations, service providers and other interested individuals in their jurisdictions. In addition, press releases announcing the meetings were sent to newspapers and radio stations throughout the State.

The hearings drew over 500 people, with more than 125 individuals testifying. The Task Force received additional comments from individuals who submitted written testimony, as well as from individuals who expanded on their remarks at the hearings. All testimony was considered part of the official record and made available to Task Force members.

The following four themes emerged from these hearings:

- *Outcomes and Evaluation* - To provide the best for our children and families, Maryland must know that its programs are effective in meeting the needs of its children and families. Evaluation is essential in proving whether or not agencies and service providers are doing a good job. Though individuals testified that the agencies were doing a great job, concerns were expressed that there was no way to prove these claims. Individuals stated that outcome and accountability measures need to be part of the evaluation process and funding should be tied to outcomes.
- *One Size Doesn't Fit All* - The needs of each jurisdiction are different and unique. Smaller jurisdictions felt they effectively collaborated in providing services to their citizens. They testified that services are often co-located and workers know one another. For some, the current systems reform efforts represent another layer of bureaucracy that drains money from services for children to fund additional administrative measures. Larger jurisdictions testified that while workers might be

centralized in neighborhoods, they do not have all their services co-located nor would they want them in one central location.

- *Worker Training is Key to Success* - Many stories were told about how an individual worker made the difference to a family in the system. Well-trained and caring workers helped families obtain needed resources no matter what the obstacles. Workers who were not well-trained and did not know about available services were less effective in meeting the needs of the children and families seeking their services.
- *Falling Through the Cracks* - More stories were told about "falling through the cracks" within a single agency rather than between the different agencies. This impression may have been due to the self-selection of those who came to testify. Most of the testimony was from parents whose children needed special education or mental health treatment. The Task Force did not hear from the parents of children experiencing child abuse and neglect or interaction with the juvenile justice system.

In addition to these themes, a number of fiscal issues were raised at the hearings. These issues included:

- the lack of funding for the LMBs,
- the need to ensure funding for mandated programs,
- the failure of the LMBs to receive operating funds in a timely manner,
- the flexibility of spending non-categorical funding at the customer level,
- the potential waste of funds on administration rather than services and,
- the responsibilities of a local jurisdiction when funding is limited or non-existent, particularly when litigation is involved.

With regard to governance issues, persons testifying noted:

- the need for greater local decision making authority,
- the fear of additional layers of bureaucracy,
- the lack of clarity regarding the level of state responsibility and the role of the Governor's Office for Children, Youth and Families (OCYF), and
- the need for an adequate data system to accurately link information.

Finally, in the area of service provision, those testifying wanted:

- more money directed at prevention and rewards given for positive prevention efforts,
- a broader array of resources available for the return/diversion population,
- greater collaboration among agencies to meet individual child needs,
- more family support services and youth treatment services for juvenile offenders and,
- parent education and mental health treatment programs.

Following the release of the Task Force draft recommendations, the Task Force held a second set of regional public meetings. Meetings were held on October 10 in Frederick, October 14 in Wye Mills, and October 15 in Baltimore City. The meetings drew over 200 people, with more than sixty individuals testifying and seventeen individuals submitting written comments. These meetings provided constructive feedback on the draft recommendations of the Task Force with time reserved at two meetings for dialogue between Task Force members and audience members.

Those attending the second set of public meetings appeared to be strongly in favor of moving to a results-based system, but voiced the need to revise of the proposed indicators and encouraged continued public input in this refinement process. Testimony supported the creation of an expanded Subcabinet comprised of state and local representatives as well as parents, advocates, business leaders, and others to help shape the direction of child and family policy in Maryland. Those testifying were also supportive of greater local autonomy in making service delivery decisions as long as the State provided adequate funding for that service delivery. Citizens were divided on the creation of a new department at the State level, with many indicating that it was merely a "shifting of the deck chairs." Finally, strong concerns were voiced that the initial Task Force recommendations were too prescriptive with regard to the administration and selection of the LMBs. The recommendations contained within this report reflect the concerns raised at these meetings.

Local Management Board Focus Groups

At the request of the Program Subcommittee, Dr. Sheryl Brissett-Chapman, Executive Director of the Baptist Home for Children and Families, and Linda Heisner, Executive Director of the Department of Human Resources' Child Care Administration, undertook a review of the role of LMBs in the systems reform process, concentrating on the ideal structure, process, and outcomes for LMBs and their relationship with the State. Dr. Chapman and Ms. Heisner conducted two four-hour focus group sessions to identify the local challenges to the implementation of systems reform. Participants were asked to review the proposed principles of the Program Subcommittee as well as discuss ideal structures, processes, and outcomes for the State and the LMBs. Eleven counties participated in the two focus groups held in Annapolis and Frederick on August 13 and 16 respectively. Many participants stated that this was the first time anyone had asked for their opinion of the systems reform process.

In addition to the focus groups, Dr. Chapman and Ms. Heisner reviewed written materials provided by the LMBs, including annual reports, minutes from the last three LMB meetings, public relations materials, and by-laws where applicable. They also made telephone contact with representatives of counties without operating LMBs. These representatives were asked: why an LMB had not been established; what that county would need to start an LMB; and, what would be the ideal structure, process, and outcomes for the county?

Study findings revealed that LMB respondents were committed to continuing the process, perceived LMB consensus to be relatively high, struggled to effectively engage the private sector and business community, targeted the need to eliminate duplication, and questioned the adequacy of administrative support for LMB functions. As a whole, LMB respondents wanted to see better partnership and coordination with the State, greater centralized, non-duplicative planning for

services, minimum standards, practical problem-solving, local self-determination, an accessible continuum of services, and greater State level trust of LMBs.

Dr. Chapman and Ms. Heisner's report recommended that the LMB structure and processes result in the elimination of non-essential bureaucracy and duplication, while promoting interdependent agency planning and service delivery. Further, LMBs should be given local choice regarding structure, scope and direction, and its negotiated contractual relationship with the State. Dr. Chapman and Ms. Heisner suggested the State role should be to establish broad parameters and principles for implementation; oversee policy and program development by monitoring and ensuring evaluation and program refinement; provide state-of-the-art technical support and consultation; and provide fiscal support through individual county negotiated grants.

Charles Bruner Report

With the assistance of the Annie E. Casey Foundation, the Task Force invited nationally recognized systems reform consultant Charles Bruner to Maryland to review the current status of reform efforts in Maryland. On July 24, 1996, Mr. Bruner conducted three focus groups meetings which were attended by eighteen Task Force members, one Task Force member designee, and nine local representatives invited to participate as a result of their demonstrated interest in systems reform. Mr. Bruner also received written responses to survey questions from three Task Force members. One local representative unable to attend the focus group meetings.

Mr. Bruner found general consensus that the current systems reform initiative is not working. Substantial frustration with the current administrative costs of the effort was also expressed. Individuals generally saw the current structures as ineffectual and/or seriously flawed, but had a difficult time describing to Mr. Bruner how they could be modified to produce better results. Mr. Bruner further observed that the respondents did not wish to move backward nor did they wish to continue operating a state-defined, categorical system.

Leadership that ensures the effectiveness of systems reform at the State and local levels was critical according to Mr. Bruner's report. Mr. Bruner reported the following three themes emerged from focus group discussions: the desire to redirect energy and resources within systems reform to a prevention agenda; the need to establish community outcomes and benchmarks to direct reform; and, the wish to eliminate the OCYF and redirect its administrative funds to services.

Mr. Bruner suggested the Task Force make the following recommendations to address the needs of Maryland's system reform efforts:

- develop an integrated management information systems,
- develop a Children's Budgets by Local Management Boards,
- abolish or restructure the Office for Children, Youth, and Families,
- expand the pooled funds or require that a larger share of funding be devoted to prevention,
- establish a consolidated state department that encompasses several now distinct departments and,
- develop specific benchmarks and performance measures related to child and family well-being.

Additional Input

All Task Force meetings, Subcommittee meetings, and public hearings were publicly announced, and well attended. Information was available at all meetings and a mailing list was established to ensure that all interested individuals were able to review Task Force materials. Constituent letters and hearing testimony received by the Lt. Governor were shared with Task Force members. The Lt. Governor and several Task Force members met with concerned stakeholders upon request. Formal and informal presentations were made to various organizations regarding the work of the Task Force. The Task Force invited Tim Hagan, Commissioner of Cuyahoga County, Ohio, to present his county's experience with human service delivery system outcomes measures, and Task Force's Program Subcommittee invited Mark Friedman, of the Fiscal Policy Studies Institute, to present strategies on how to develop results and indicators. The Task Force's Fiscal Subcommittee invited Alan Saunders and John Mitchell to discuss Virginia's Comprehensive Services Act.

III. THE WORK OF THE TASK FORCE

As noted previously, the Task Force for Children, Youth and Families Systems Reform was charged by Executive Order to review the effectiveness of the current children and family service systems, the status of the services reform efforts, and the local state, and federal laws governing service programs and funding, and shall recommend needed changes (See *Appendix B*).

During the course of the full Task Force deliberations, consensus emerged on a number of key policy directions that guided the Task Force's work and led to the recommendations outlined later in this plan. The following is a list of common areas of agreement by the Task Force:

- Service delivery should not continue at "status quo",
- Service delivery reform should move beyond the two identified services-- family preservation and return\diversion of children from out-of-state placements,
- Any new service delivery approach should measure results and ensure accountability,
- The focus of the service delivery system should shift to primary prevention and early intervention,
- The new service delivery system should consider all current services\programs and funds for Maryland's children and families,
- The local governance role should be enhanced to emphasize local decisionmaking capabilities,
- The State governance role should be one of support, standard setting, financial management, technical assistance, and monitoring and evaluation and,
- The lines of communication between the locals and the State should be enhanced.

With these common areas of agreement, the Task Force, through the subcommittees, worked through the summer to address the myriad of issues that are part of reforming the service delivery system. The Subcommittees utilized a broad array of information resources, ranging from the State and local departments, Maryland's citizenry, other States, and to experts within the field of human service delivery reform. The marshaling of such a broad range of resources reflected the

Task Force's serious desire to move forward with systems reform and to continue its role as a national leader in this effort.

The Program Subcommittee focused on the development of results and indicators as measures of program and service performance. The results and indicators serve to ensure that programs and agencies are held accountable through evaluation. In addition, the Subcommittee examined the relationship between the LMBs and the State. Finally, the Subcommittee developed guiding principles to ensure that children and families in Maryland have access to effective prevention, early intervention, and crisis management services.

The Fiscal Subcommittee focused on the development of a sound management and fiscal framework to support the achievement of the results articulated by the Program Subcommittee. Guided by thirteen ideal characteristics identified by Subcommittee members (See *Appendix E*), the Subcommittee evaluated a number of management and fiscal arrangements in support of a reformed delivery system. By reaching consensus on these characteristics, the Subcommittee established the basis for a new and innovative relationship between the local jurisdictions and the State in moving forward with a reformed service delivery agenda.

The culmination of these intensive efforts is the recommendations presented in the next section of this report.

IV. ISSUES AND RECOMMENDATIONS

Guiding Principles

The Task Force adopted principles to guide the reformed system on the State and local levels. The purpose of the principles is to ensure that children and families in Maryland have access to effective prevention, early intervention, and crisis management services. In developing these principles, the Task Force received input from the LMB focus groups, local service delivery agency representatives and local elected officials. The following principles are intended to serve as a foundation for all policies, funding and planning for children, youth, and families in Maryland.

The Reformed System will be:

Child and Family Focused

- Recognizes strengths of the family
- Promotes services that are accessible and procedures that are user friendly
- Culturally responsive
- Stresses the major role of families and children in determining the services they need
- Supports programs that provide the least restrictive services in the least restrictive settings

Responsible and Responsive to Local Needs

- Defines the State role as one of support for locally identified needs through technical assistance and information sharing
- Recognizes that the local governmental structures, including elected officials, should be involved in decisionmaking

- Respects local prerogatives provided agreed upon results are achieved
- Encourages public/private partnerships to include community and family involvement

Based on Multi-year Planning

- Ensures continuous examination of the system for efficiency and effectiveness
- Includes a coordinated strategic planning process
- Builds on existing State and local strengths

Comprehensive and Locally Based

- Recognizes that programs should be based on local needs assessment and local planning
- Ensures access to necessary services: including prevention, early intervention, crisis intervention, protection, out of home placement and adoption, and all other mandated services
- Ensures continuity of care management
- Promotes designs that protect child, family, and community

Results-Driven

- Achieves measurable goals and objectives
- Includes monitoring and accountability for results
- Bases results on predetermined evaluation parameters

Fiscally Responsible and Flexible

- Ensures local direction of funds toward priorities and effective programs
- Encourages State and locals, jointly and separately, to identify and pursue new funding sources
- Reaffirms State funding responsibilities

Based on Defined State and Local Responsibilities and Authority

- Establishes clear boundaries for responsibility
- Ensures a system of checks and balances

Recommendations to Implement Guiding Principles

The Task Force recommends that the following processes occur to implement the intent of the guiding principles. These processes should be followed by the State and/or local jurisdictions:

- Evaluate programs, services, and administrative support structures to determine effectiveness,
- Identify strategies to achieve results which are fiscally responsible and flexible,
- Establish priorities supportive of the guiding principles and outlined in the State plan,
- Allocate funds in accordance with priorities, program effectiveness, and federal, state, and local mandates and,

- Monitor, evaluate, and assist implementation of the reformed service delivery system.

State and local jurisdictions should adhere to the standards established through the guiding principles when developing all policies, procedures and programs involved in services to children, youth, and families. The Task Force recommends that the proposed Commission on Children and Families be designated through the State plan to ensure that the intent of the guiding principles are upheld by State and local jurisdictions. (See *Page 15* for an explanation of the Commission on Children and Families and the State plan.)

Results and Indicators

As part of the national trend to government accountability, both government officials and the public have embraced the use of results to evaluate the effectiveness of programs funded with tax-payer dollars. The Task Force recommends the creation of a results-based system that would hold State and local jurisdictions accountable for effective service delivery to children and families. The State and local jurisdictions would measure progress toward the achievement of these results through established indicators. Results and indicators would enable the Commission to monitor the State and local progress toward results as well as the effectiveness of service delivery. The Task Force recommendation represents a major shift in how Maryland delivers services. This would be the first time Maryland's child serving system measures its efforts from a well-defined starting point.

The Nine Results

The Task Force adopted nine results necessary to assure the conditions of well-being under which all children, youth and families of Maryland should live. Each of the nine results is measured through several indicators for which data is available to quantify the achievement of the result. Under each result, there is a listing of indicators (ranging from 3 to 10 indicators per result). The following criteria, presented by Mark Friedman of the Fiscal Policy Studies Institute, were endorsed by the Subcommittee for choosing the indicators:

- Communication power: Does the indicator communicate to a broad range of audiences;
- Proxy power: What is the relationship between the indicator and other information collected/Is the link supported by research;
- Data power: Is the data available on a timely basis?

The Task Force maintains that State and local entities should strive to provide Maryland families with services which help them meet these results and indicators. **The results and indicators as listed below are a starting point for continued work and should by no means be considered final. The Task Force strongly believes that the results and indicators must be re-examined and further researched by both State and local participants before the Commission grants final approval.

RESULTS**

RESULTS	INDICATORS	AVAILABILITY OF DATA
Babies Born Healthy	Percentage of infants whose mothers did not use drugs (illicit drugs, alcohol or tobacco) during pregnancy (self-reported by mother) Percentage of healthy birth weight babies (minus number of low birth weight babies) Infant mortality rate per 1000 births Percentage of babies whose mothers received adequate prenatal care beginning in the first trimester Percentage of children born infected with HIV and testing positive	Data can be collected data available data available data available data available
Healthy Children	Percentage of children who are adequately immunized (100% minus % children not vaccinated) Teenage pregnancy rate (ages 10-17) (Births to women less than 18 years old) Number of children screened for lead poisoning Percentage of eligible women participating in WIC Number of children receiving free and reduced meals Rates of hospitalization for mental health issues Percentage of children with access to medical and dental care (rate of uninsured children per 100) Percentage of children receiving addiction treatment at the hospital level Percentage of students free from alcohol, illicit drugs or tobacco in the previous month (ages 10-19) Percentage of adolescents with sexually transmitted diseases, including HIV (ages 10-19)	data available data available data available data available data available data available data available MD adolescent survey data available
Healthy Adults	Rate of adult mortality due to: Breast Cancer, Coronary Heart Disease, Lung Cancer, Stroke, homicide, vehicle accidents, suicide Rate of infectious Diseases: AIDS, Hepatitis B, Syphilis, Tuberculosis, and Measles) Reduction in the following behavioral health factors: (binge and chronic drinking, never had a mammogram 40+ years, no cholesterol checks, no high blood pressure screening, overweight by 120% of median, smoking, last pap smear over 2 years ago)	data available data available data available

Children Enter School Ready to Learn	<p>Percentage of families with eligible children ages 0-3 participating in MD's Infants and Toddlers Program</p> <p>Number of low birth weight infants receiving early intervention services</p> <p>Number of high risk babies receiving early intervention services</p> <p>Number of children who have participated in and have benefitted from the Primary Assessment System for the improvement of instruction leading to success in school</p> <p>Number of children enrolled in Head Start compared to percentage of children at risk.</p>	<p>Infants and Toddlers program has data</p> <p>data available</p> <p>data available</p> <p>future measure -- Primary Assessment Tool</p> <p>data available</p>
Children Successful in School	<p>Percent of students in all grades missing 10 or more days of school per year</p> <p>Percentage of students meeting State norms for academic achievement</p> <p>Percentage of teens not in school and not in labor force(ages 16-19)</p> <p>Number of youth employed</p> <p>School attendance among children in state-supervised care is equal to that of the general population</p> <p>The number/percentage of children who require special education as a consequence of special needs</p> <p>The number/percentage of children who require long term residential care as a consequence of special needs</p>	<p>data available</p> <p>MSPAP scores or functional tests</p> <p>census data</p> <p>data may be available</p> <p>data not collected</p> <p>data available</p> <p>data available</p>
Children Completing School	<p>School drop out rate</p> <p>Suspension rate</p> <p>Percentage of students who indicate interest in employment/post secondary education upon high school graduation</p> <p>On-time high school graduation rate</p> <p>Percentage of High school graduates meeting UM/occupational program requirements</p> <p>High school graduation rates among children in state-supervised care is equal to that of the general population</p> <p>Employment readiness at age 18 among children who have been in state-supervised care is equal to that of the general population</p> <p>GED Completion Rate</p>	<p>data available</p> <p>data available</p> <p>Graduate Follow-up Survey - Surveys H.S. Grads from Career and Tech. Majors</p> <p>data available</p> <p>data available</p> <p>data not collected</p> <p>data not collected</p> <p>data available</p>
Communities which Support Family Life	<p>Percentage of persons owning homes</p> <p>Police Precinct/district crime rate</p> <p>Job Rate</p>	<p>data available</p> <p>data available</p> <p>data available</p>

Children Safe in Their Families and Communities	Child/Teen death rate by cause and age Rate of reported , confirmed child abuse (sexual abuse)/neglect Rate of reported domestic violence Juvenile arrest for violent crimes (ages 10-17) Rate of incarceration by DJJ for detention and secure commitment Delinquency referral rates to DJJ from schools Weapon related injuries to children and adolescents Percentage of at-risk children who enter out-of-home care	data available data available data available data available data available data available data available data available
Stable and Economically Independent Families	Teen parents receiving quality parenting education Percentage of single parent households Paternity rates Employment Rates Number of children in foster care Average length of time in foster care Number of children who re-enter out of home placement following permanency placements Length of time between removal of a child, termination of parental rights and adoption for children for whom adoption is the best option Number of families living in poverty Availability of safe, affordable (no more than 30% income) housing Literacy rate of adults of child bearing age	data available census data limited assisted living clients census data available data available data available data available census data census data available, difficult to define affordable census

Performance measures would be applied to each indicator to provide standards upon which to evaluate program results. Local jurisdictions could choose indicators according to the needs identified in their local needs assessment. The indicators chosen by each local jurisdiction would be stated in their local plan submitted to the Commission for final approval. All localities would move toward achieving the results through a graduated process consistent with State standards.

For example, a local jurisdiction completes its needs assessment, and it indicates that its numbers in the following areas are high relative to the State goals: teenage pregnancy, lead poisoning, and high school drop out. The local jurisdiction would choose to address these indicators in its plan to the Commission. As progress is made toward these indicators, the local jurisdiction would add new indicators to its plan and begin working toward these indicators while continuing work on the indicators listed in the first plan. While simplistic, the example demonstrates that a local jurisdiction will have the ability to choose the results and indicators addressed in their plan. All jurisdictions would be moving toward achieving the results as they make progress proven through performance measures. It is through such measured progress that Maryland would be able to concretely evaluate the enhanced well being of its children and families.

Refining the Nine Results

The Task Force recommends the formation of a workgroup to further research and define the results and indicators and develop performance measures consistent with State standards. This workgroup would have representation from both State and local jurisdictions, other interested

individuals and, individuals with expert knowledge in the areas of research and evaluation. The Task Force recommends that the workgroup facilitate various opportunities for public input as it conducts its work. The workgroup would also recommend to the State Commission on Children and Families the base/minimum number of indicators that a jurisdiction should adopt in its local plan. Comments received through public meetings and letters submitted to the Task Force regarding refinement of the indicators will be packaged by Task Force staff and forwarded to the workgroup for further consideration.

The Task Force recommends the following criteria be used by the workgroup as it re-examines the indicators:

1. Data: Can we get data for valid evaluation of results?
2. Relevance: Is there a clear connection between the desired result and the indicator?
3. Significance: Is the indicator important for our overall goals?
4. Practicality: Can the indicator be affected by changes in our service system?
5. Public support: Is the indicator's rise or fall meaningful or important to the general public?

The Commission would ensure that technical assistance is provided to local jurisdictions as they implement and administrate these strategies/programs. The Commission would assure through its work that progress toward the results and indicators is achieved by State and local jurisdictions.

Focus on Prevention

As stated in the guiding principles, the Task Force believes that prevention and early intervention programs that provide necessary services to children, youth, and families are essential to the success of systems reform. Under this premise, the Task Force requested an examination of prevention and early intervention programs funded with Subcabinet agency dollars. The information regarding these programs was collected and compiled into a draft document which lists program descriptions, funding amounts, and evaluation information for each program. The agencies reported on 161 programs which are funded through federal, state, and local dollars. Evaluation information is available for 117 of the total reporting programs.

This prevention document is a start in providing valuable information as work is continued to establish which programs/strategies are effective and will facilitate the achievement of the results and indicators. In addition, the State and local governments should give serious consideration to implementing a financing strategy that includes the dedication of a set amount of funding (for example, 10% of jurisdiction's total allocation) for such programs. Finally, with regard to the FY 1998 budget, the Governor has requested the Subcabinet agencies to identify prevention and early intervention programs and funds that may be included as part of the FY 1998 Subcabinet Fund budget request. Implementation of such strategies clearly signal the desire at the State and local levels to shift the programmatic focus to primary prevention and early intervention.

Roles, Responsibilities, and Structures in Support of Reformed Service Delivery

The recommendations outlined below respond to the thirteen characteristics identified by the Fiscal Subcommittee (See *Appendix E*) and integrate elements of structural options considered

by the Task Force, specifically ensuring that program and funding decisions are results-based and support local flexibility in achieving the results. Further, the recommendations re-affirm the "Mission" for systems reform as defined in Maryland Law. The recommendations also recognize that to the extent that the State has the ultimate responsibility for the provision of mandated services and compliance with all State and federal law, the State shall retain it, subject, however, to any later agreements between the State and the local entities and consistent with the requirements of federal law. Subject to such agreements, the State may reserve the right to be held harmless should penalties, federal disallowances or other liabilities or legal actions result. However, it is the State's intention to continue its primary funding responsibility for all mutually agreed upon services.

Commission on Children and Families, (State Collaborative)

The Task Force recommends the creation of a Commission on Children and Families. The Commission would be a strong public/private collaborative at the State level with committed membership dedicated to ensuring that the State achieve its goal of a results-based management and locally delivered children and family service system. This Commission would monitor the progress of State and local jurisdictions in meeting the identified results, set forth State goals and standards (See *Appendix F* for issues to be addressed with the standards), ensure strong and effective information and management systems, and provide appropriate oversight. The Commission would develop, update (on an annual basis) and publish, a long term (5 year) *State Plan for Children and Families* to implement the State's vision. In addition, the Commission would have the responsibility and authority to facilitate interagency agreements for the delivery of services consistent with the *State Plan for Children and Families*.

Composition and Organization - A Commission of approximately 17 persons, appointed by the Governor with a chair appointed by the Governor. Public/private representation should be balanced, representing State and local government, business and non-profit organizations, advocacy and community groups, and interested citizens. Representatives of LMBs and local government, through participation on the Commission, will help to assure that local concerns are addressed. The membership may include:

- Secretaries of the State child-serving agencies
- Local Management Board (LMB) representatives
- Service consumer representatives
- Child/Family advocate representatives
- Regional business/civic community representatives
- Private Sector Service Provider representatives
- Local Government representatives
- Legislative Branch representatives
- Judicial Branch representatives
- Labor representatives
- At large representatives

Responsibilities - The Commission would:

- Reaffirm a vision for the role of government in achieving results for children and families
- Develop, update (on an annual basis) and publish, a long term (5 year) *State Plan for Children and Families* to implement the vision. The *Plan* will:
 - Reaffirm and refine the results, articulated by the Task Force, to be achieved by state agencies and local jurisdictions (communities/neighborhoods, etc.), establish goals, incremental objectives and time frames for accomplishment
 - Identify resources needed to achieve plan goals
 - Set standards and establish methodologies for evaluating results
- Establish general policy guidance required to implement the *State Plan for Children and Families*
- Submit an interagency children and family budget for achieving the results identified in the *State Plan*
- Determine methods for allocating funds to local jurisdictions based on a set of established principles and/or guidelines
- Develop plans to command public and political attention and support for programs that will achieve results for children and families
- Address the unique concerns of each jurisdiction
- Ensure broad collaboration across agencies and services\programs
- Continue, in a proactive manner, an advocacy role in providing best practice models
- Establish clear lines of communication among the child serving agencies
- Approve the annual grant agreements negotiated between the State and local jurisdictions, consistent with the five-year (*City/County/ Community/ Neighborhood*) *Plan for Children and Families* submitted by the local jurisdictions
- Submit an annual report to the Governor and General Assembly on the progress of achieving the results
- Set standards for and oversee administration of fiscal audits for state agencies and local jurisdictions as it relates to the *State Plan for Children and Families*
- Establish an Administrative Services Unit to set provider rates, establish standards for contracting and provide training and technical assistance to local jurisdictions in the areas of contracting and procurement
- Oversee the coordination of existing State agency management information systems (MIS) for the purpose of disseminating programmatic and fiscal data in support of the achievement of the results at the State and local levels
- Conduct program audits to evaluate results achieved by state agencies and local jurisdictions using base line data derived from MIS and other available sources

To ensure that the above mentioned goals are met, the Commission would have the authority to recommend to the Governor which individual, state agency, non-profit organization or for-profit organization would perform the following functions:

1. Negotiate and execute annual grant agreements with the local jurisdictions as well as contract with local jurisdictions as necessary.
2. Serve as fiscal agent for appropriate service dollars as allocated in the State budget.
3. Maintain effective relationships with federal agencies where appropriate to ensure compliance with federal agency requirements.
4. Ensure that certain federal waivers are applied for in order to maximize resources and allow for flexibility.
5. Provide single point of entry for licensing of child-serving programs.
6. Designate who should be the contact person for concerns from local management boards and provide a single point of contact for local management boards.
7. Review, provide feedback, and approve local plans which serves as a basis for annual grant agreements between state and local jurisdictions.
8. Ensure training and technical assistance to local management boards.
9. Establish accounts for local jurisdictions to receive disbursement of funds allocated to the local government or the local management board that is legally delegated by the local chief elected official.
10. Develop an information and management system.

In the intervening months between the Task Force's completion and the creation of the Commission, the Task Force envisions the appointment of a transition team to begin making recommendations on the above issues and to continue the momentum and enthusiastic progress of the Task Force (See Page 23, *Next Steps*).

Commission Administration - Staffing and resources shall be sufficient to carry out the mandates of the Commission and other responsibilities assigned.

Local Management Boards (Local Collaborative)

As the focus of Maryland's reform efforts continues to move decisionmaking authority on service delivery to the local level, local county government participation in these efforts is increasingly important. It is envisioned that Local Management Boards will be the vehicle for

comprehensive decisionmaking regarding the local jurisdiction's family and child service delivery needs. LMBs will work in conjunction with local government to identify the needs of their jurisdiction's children and families.

Composition and Organization - The Local Management Board shall be appointed by the chief elected or appointed local official(s). Local government shall designate the chair of the LMB or the process for appointing the chair. The State Commission on Children, Youth, and Families shall develop basic membership guidelines. However, members of the LMB should be representative of their jurisdiction and may include:

- Directors of local child and family serving agencies
- Representatives of other local agencies, e.g., law enforcement
- Service consumer representatives
- Child/Family Advocate representatives
- Regional business/civic community representatives
- Private Sector Service Providers representatives
- Representatives of the local judiciary
- Representatives of local government
- At large representatives

The Commission on Children and Families will ensure basic technical assistance to all LMBs, including ways of providing citizens the opportunity to review draft community plans and in later years annual progress reports on those community plans. The Commission would also be available to assist LMBs in involving additional stakeholders in their work, including the child care community, mental health community, and others.

Responsibilities - The local government is accountable for the achievement of the results, unless legally delegated by the chief local government official(s) to the LMB. Further, the local governments will serve as the local fiscal agent for the State and federal funds received for child and family services unless such authority is delegated by the chief elected official(s).

In concert with local government, each LMB will determine those services for which they accept responsibility and those for which the State will retain responsibility. The scope of this responsibility will vary depending on each jurisdiction's capacity and desire to make service delivery decisions. Some jurisdictions may wish to incur responsibility for the entire continuum of services for children and families while others may only feel comfortable accepting discrete pieces of this continuum in their county. Through negotiated grant agreements between the local government/LMB and the State, local jurisdictions will be able to design service delivery systems that meet the unique needs of their locale. Until the Commission makes recommendations regarding which State entity should administer the grant agreements, the Office for Children, Youth, and Families will continue to be the point of contact for the LMBs.

In addition to receiving funding from the State, LMBs will be supported in their efforts to seek out other sources of funding, including the private sector, to meet their outcome objectives. It

is the expectation of the Task Force that success in these efforts is not intended to supplant existing State funding, but only enhance that received from the State.

The Task Force recommends that the LMB not be involved in direct service provision, but may contract for the provision of services in their jurisdiction. The LMB will perform planning and oversight functions, (a "General Contractor" of direct services). The LMB has the authority, in conjunction with the chief local elected official unless that authority has been legally delegated to the LMB, to decide with whom to contract for services. For those LMB sites which currently provide direct service, the Task Force recommends a carefully planned cessation of this function in FY 1998 in order that the planning and oversight role become the focus of all LMBs by FY 1999.

Among its responsibilities, the LMB would:

- Create a vision for the role of local government and local child and family serving agencies in achieving results for children and families
- Develop and update (on an annual basis), a long term (5 year) *(City/County/Community/ Neighborhood) Plan for Children and Families* to implement the vision. The *Plan* would:
 - Describe how the results articulated by the Task Force and reaffirmed/refined by the Commission for Children and Families will be achieved
 - Identify/define other results to be achieved by the LMB and local agencies, establishing goals, incremental objectives and time frames for accomplishment
 - Identify resources needed to achieve plan goals
 - Set priorities based on an assessment of community strengths and needs
 - Address the issues regarding the pooling of resources under local control that may be necessary to accomplish *Plan* results
 - Engage the commitment, resources and expertise of stakeholders and citizens at large to assure that all public and private, formal and informal resources are fully developed and that their use is maximized to achieve results
 - Set standards and establish methodologies for evaluating results
- Establish general policy guidance required to implement the local plan which is binding on local agencies
- Submit to local government a children and families budget for achieving the results outlined in the local plan
- Set priorities which will govern the allocation and use of available funds
- Develop plans to command public and political attention and support for programs that will achieve results for children and families at the local level
- Ensure broad collaboration across local agencies and across services
- Use existing resources, ensure the development and ongoing operation of a single point(s) of entry which is/are accessible and responsive to the needs of children and families

- Ensure, to the fullest extent possible, implementation of its *Plan for Children and Families*
- Approve the annual grant agreement with the State
- Contract for the provision of services in their jurisdiction

LMB Administration - Staffing of LMBs should be as flexible as possible based on the local county's staff preferences and could include designated inter-agency existing staff or volunteer staff although each jurisdiction must identify a principal contact for LMB tasks. LMBs shall have sufficient staff to carry out the mandates of the LMB and other responsibilities assigned.

As the responsibility for planning and the administration of services shifts from the State to local jurisdictions, funding for planning and administration will also be shifted. LMBs may use a portion of funds allocated to their jurisdictions to fund needed staff positions. Local governments and LMBs are otherwise independently responsible for staffing the LMB. The identification and allocation of funding for administrative dollars to be shifted from the State to the local level will be identified by the proposed transition team and then the Commission once it is established.

Local jurisdictions would have the administrative flexibility, through such mechanisms as memoranda of understanding, interagency agreements, or other innovative actions, to achieve the results outlined in their local plans and/or the annual grant agreements.

The Task Force recommends that LMB staff should:

- Provide staff support for the LMB
- Serve as liaison between the LMB, local government, and the Commission on Children and Families
- Coordinate and/or provide training and technical assistance to local public and private sector child and family serving agencies
- Coordinate the actions of local child and family serving agencies related to use of the comprehensive, interagency management information system (MIS)
- Coordinate the evaluation of the results achieved by local agencies using base line data derived from the MIS and other available sources

Local Service Providers (Local Level)

In achieving the desired results and implementing the reformed service delivery system, the local government, in conjunction the local management boards, may rely on a wide range of service providers to implement the local plans and achieve the desired results. While the State intends to ensure a flexible approach, the local government and the local management board may:

- Continue to provide services through the existing Local Departments of Social Services (LDSS), as appropriate. It is the Task Force's assumption that the local government and the local management board may continue to

provide services under the existing processes so as to allow for a sufficient period of transition into the new service delivery systems.

- Designate an alternative lead agency for the administration of services. The LMB has the authority to decide with whom to contract for services.
- Contract with other providers for the provision of services.

Financial Management

FY 1997 and FY 1998 Subcabinet Fund

During Task Force deliberations, a number of issues were raised regarding the execution of the FY 1997 Subcabinet Fund budget. Specifically, issues were raised regarding the appropriate allocation of funds to the local management boards and the ability of the local jurisdictions to provide ongoing services to children and families. In response to the issues raised to the Task Force, the Lieutenant Governor convened a series of meetings with State and local representatives to resolve these outstanding concerns. From these meetings, consensus was reached on a number of critical and time sensitive issues (See *Appendix G*). In addition, the State and local representatives agreed to meet on a regular basis to continue a dialogue on unresolved issues.

Issues raised regarding the execution of the FY 1997 Subcabinet Fund budget and the formulation of the FY 1998 Subcabinet Fund for the Governor's budget request included:

- Dealing with the nine counties without an operational LMB,
- Determining fiscal liability for services provided at the local level,
- Developing an appropriate funding source for administrative costs,
- Examining the current programs and funding formulae for children returned or diverted from an out-of-state placement,
- Distributing the \$98 million in the FY 1997 Subcabinet Fund budget,
- Determining the FY 1998 Subcabinet Fund budget and,
- Reviewing requests from local jurisdictions that wish to go "Vision to Scale" for local service delivery.

A financial management workgroup of representatives from the LMBs and the State team of deputy secretaries and chief budget officers has been convened to address these issues and make recommendation to the Subcabinet. Currently, representatives from the State Subcabinet agencies and LMB representatives from Carroll, Garrett, Montgomery and Anne Arundel counties, the Mid-Shore Council and Baltimore City are participating in the workgroup. This State and local workgroup is open to other interested State and local participants.

The following is a nine month timeframe for resolving these immediate issues:

November 22, 1996 Workgroup receives plans from nine non-operating jurisdictions and incorporates plans into FY 1997 and FY 1998 Subcabinet Fund budgets.

- | | |
|-------------------|---|
| December 2, 1996 | Workgroup presents recommendations on the allocation of the remaining FY 1997 Subcabinet Fund budget and the composition of the FY 1998 Subcabinet Fund budget to Subcabinet. |
| December 6, 1996 | Final decision by the Subcabinet on the allocation of the remaining FY 1997 Subcabinet Fund budget and composition of FY 1998 Subcabinet Fund budget is finalized. Subcabinet requests proposals from operating jurisdictions interested in becoming "pilot sites" for moving forward with systems reform in FY 1998. One to three jurisdictions selected based on interest. |
| January 15, 1997 | Submission of Governor's FY 1998 budget to the General Assembly. |
| February 14, 1997 | Jurisdictional "pilot" plans (as signed off by local government and LMB are received and evaluated by the workgroup. Recommendations are made to the Subcabinet for selection of "pilot site(s)." To ensure no conflict on interest, those jurisdictions participating on the workgroup and applying for selection as a "pilot" site will not participate in the final selection process. |
| February 28, 1997 | Subcabinet, in consultation with the Transition Team, makes decision on "pilot site(s)" and reports to General Assembly. Any necessary adjustments to budget and/or budget language are made based on approved plans. |
| March 21, 1997 | Workgroup receives report on return/diversion programs and funding formulae, as done by interagency team (State Coordinating Council, OCYF, chair). |
| April, 1997 | FY 1998 budget is enacted by General Assembly and reflects decisions on the nine non-operational jurisdictions and on the "pilot sites". |
| July, 1997 | Start of FY 1998. "Pilot sites" begin implementation. |

Annual Grant Agreement

From the financial management perspective, the key document that operationalizes the move to a results-based and accountable service delivery system is the annual grant agreement between the State and the local jurisdictions. The grant agreement will clearly articulate the roles and responsibilities of the State and the local jurisdictions. Specifically, the grant agreement will include four sections:

- 1.) Program Results to be Achieved
This section will clearly spell out the programmatic performance measures (as defined by agreed-upon indicators) that will be achieved during the grant agreement time period and must include plans to address the results and indicators identified in the *State Plan for Children and Families*.

- 2.) Scope of Services to be Provided by the Local Management Board
This section will detail the services\programs to be provided at the local level in support of the achievement of the performance measures.
- 3.) Funding Allocation
This section will identify the level of funding to be provided for the provision of services\programs, as well as for administrative costs.
- 4.) Administrative Clauses
This section will describe the procedures to ensure the proper administration of the programs, including provisions on procurement processes for service delivery.

V. NEXT STEPS -- A TRANSITION PLAN

The work of this Task Force is a first step in ensuring that Maryland's children and families are healthy and strong, but there are many more steps ahead. The Task Force has made significant progress in outlining those steps required to move the systems reform process forward. The Task Force is enthusiastic about the progress it has made and urges the following steps to ensure the continuation of the Task Force's work:

1. By November 22, 1996 - Existing State and Local Financial Management Workgroup receives plans from nine non-operating jurisdictions and incorporates plans into FY 1997 and FY 1998 Subcabinet Fund budgets.
2. By December 2, 1996 - Workgroup presents recommendations on the allocation of the remaining FY 1997 Subcabinet Fund budget and the composition of the FY 1998 Subcabinet Fund budget to Subcabinet.
3. By December 6, 1996 - Final decisions by the Subcabinet on the allocation of the remaining FY 1997 Subcabinet Fund budget and composition of FY 1998 Subcabinet Fund budget is finalized. Subcabinet requests proposals from operating jurisdictions interested in becoming "pilot sites" for moving forward with systems reform in FY 1998. One to three jurisdictions selected based on interest.
4. By December 15, 1996 - Governor designates the individual who is charged with moving the phase-in process ahead, including the development, in time for passage by the 1997 General Assembly, of enabling legislation and an FY 1998 budget for systems reform.
5. By January 1, 1997 - Governor appoints a transition team to address the immediate issues of the phase-in period. The team should draw on the experiences of this Task Force and should be composed in concert with the guidelines set forth in this report for the Commission. Members of this transition team are expected to be available to attend meetings, make a strong commitment to the Team, and willing to speak out on issues of importance to the transition process.

Between inception of the transition team on January 1, 1997 and the creation of the Commission on Children and Families, the transition team would continue the work of the Task Force and make recommendations to the Governor on ways to move the phase-in process ahead. The transition team would:

- Further the work related to roles, responsibilities and structure in concert with Task Force recommendations;
- Develop required legislation and regulations for issues needing clarification during 1997 Legislation Session;
- Focus on prevention goals to clarify short-term needs and those for longer-term initiative;
- Refine the "Standards" included in the *Appendix F*;
- Review the extent to which the functions of the OCYF should be shifted to other agencies;
- Examine potential shifts in OCYF programs to other State agencies as well as the effects of shifting State functions to local pilot projects with regard to employee morale and worker benefits;
- Draft parameters for those elements to be included in the five year plan from local jurisdictions and those items necessary for year one of the plan;
- Ensure LMBs receive assistance, if needed, in efforts to identify utilization of prevention funds;
- Review proposed FY 1998 pooled fund, including prevention dollars, existing LMB funding, and any pilot projects (Work with Department of Budget and Management to ensure budgetary activity reflects policy decisions and recommendations);
- Study effects of report recommendations on local Department of Social Services employees regarding continued health and pension benefits when County chooses to contract with State for service delivery. Provide recommendations to the Governor on the most sensitive way to address this issue;
- Ensure continuation of progress by State and Local Financial Management Working Group in meeting timeline set out by Task Force in Financial Management Section of the report;
- Ensure above group develops an allocation methodology for FY 1998 pool;
- Perform other duties designated by the chair as necessary to move the reform effort forward.

One of the transition team's first tasks should be the establishment of a specific timeline and list of accomplishments by date (similar to that provided in the Financial Management section of this report). The Task Force also expects that the transition team continue the efforts of the Task Force to receive public input.

6. A Results and Indicators Workgroup should be established by the Transition Team to further research and define the results and indicators and develop performance measures consistent with State standards. This Workgroup should have representation from both State and local jurisdictions; other interested individuals; and include members with expert knowledge in the areas of research and evaluation.

The Workgroup should:

- Study efforts of other states already moving toward outcome-based results,
- Gather reasonable expectations from local jurisdictions which choose to focus on specific items,
- Gain continued public input -- holding one or more focus groups to suggest outcomes/results related to children with disabilities, meetings with parents, stakeholders to expand on under represented areas and,
- Make recommendations to the State Commission on the base\minimum number of indicators that a jurisdiction should adopt in its local plan.

The Task Force recommends that the Workgroup provide ample opportunity for public input as it conducts its work. In addition, the Workgroup would make updates to the transition team on its progress until the Commission is created. Once created, the Workgroup reports to the Commission.

7. By February 14, 1997 - Jurisdictional "pilot" plans (as signed off by local government and LMB) are received and evaluated by the State and Local Financial Management Working Group. Recommendations are made to the Subcabinet for selection of "pilot site(s)".
8. By February 28, 1997 - Subcabinet, in consultation with the Transition Team, makes decisions on "pilot site(s)" and reports to General Assembly. Any necessary adjustments to budget and/or budget language are made based on approved plans.
9. By March 21, 1997 - State and Local Financial Management Working Group receives report on return/diversion programs and funding formulae.
10. By April, 1997 - FY 1998 budget is enacted by General Assembly and reflects decisions on the nine non-operational jurisdictions and on the "pilot sites".
11. By May 15, 1997, Governor makes appointments to the State Commission on Children and Families.
12. By July 1, 1997, appointment of the Commission on Children and Families. Start of FY 1998. "Pilot sites" begin implementation.

APPENDICES

APPENDIX A

Maryland's History of Reform

Drawing on a series of reports concerning escalating problems in the children/family services systems, several State agencies created an ad hoc committee in 1986 to recommend changes that address children's needs more systematically.

The work of the ad-hoc committee was energized in 1988, when Maryland received a \$7.5 million, multi-year grant from the Annie E. Casey Foundation to reform processes for the children and family services delivery system. To implement the grant and enact broad reforms, the Governor created by Executive Order the Children and Family Services Reform Project. The project's purpose was to develop a model of comprehensive local services delivery system with emphasis on community directed initiatives.

The first model of local governance and interagency service planning and delivery was established in a three zip code area of Prince George's County in 1989, through a grant from the Casey Foundation. During this same year, the Governor established by Executive Order the Subcabinet for Children, Youth, and Families, comprised of the heads of major child serving agencies and the Department of Budget and Management. A new cabinet level position, the Special Secretary for Children, Youth, and Families, was also created at this time. The purpose of this position was to assure effective collaboration among the major child serving agencies. The Subcabinet initiated a broad study of the State's service delivery system, involving representatives of various public and private agencies and organizations. The study identified a system that was:

- agency and program driven rather than family driven
- fragmented, duplicative and inflexible
- categorical in its approach to funding and service delivery
- based on family deficits rather than family strengths.

In 1990, the General Assembly passed legislation that strengthened the interagency authority of the Special Secretary to address these problems, and required local jurisdictions to create "local planning entities" to implement interagency services in all counties and Baltimore City. The budget that was passed also authorized the Subcabinet to coordinate departmental funds for preventing out of home placements.

In 1992, the General Assembly enacted legislation (House Bill 1055 and Senate Bill 588) that required the Subcabinet to develop plans for a statewide family preservation system and for returning and/or diverting children from out-of-state placements.

In 1993, the main components of the 1989 Executive Order were codified through legislation passed by the General Assembly. (Article 49D, s. 4.1 of the Annotated Code of Maryland). As a result of the 1993 legislation, the Subcabinet's charge was to "facilitate a comprehensive, effective, efficient, and integrated service delivery system for services to children, youth, and families."

In 1994, the General Assembly passed House Bill 1233 requiring the Subcabinet to phase in a statewide system of interagency budgeting and funding in support of a coordinated continuum of

children and family services. The legislation called for the implementation of pilot projects by FY 1996 and statewide implementation of a interagency budgeting and funding system by FY 1998. In addition to the inclusion of family preservation and placement funds within a Subcabinet pooled fund, the legislation also called for the Subcabinet to plan for a continuum of care that emphasized prevention, early intervention and community based service. The new system was also expected to maximize resources, including Federal funds, and provide outcome measures and fiscal incentives.

In 1995, the Governor and the General Assembly established a \$37 million Subcabinet Fund for two activities (out-of-home placement, return/diversion and family preservation) in the FY 1996 budget, and passed legislation renaming "local planning entities" to "local management boards."

In 1996 the Governor and General Assembly increased the Subcabinet Fund to \$98 million by transferring existing agency dollars into the Fund, for FY 1997, and initiated an Executive Order to establish the Task Force on Children, Youth, and Families Systems Reform.

APPENDIX B



The State of Maryland

Executive Department

EXECUTIVE ORDER

01.01.1996. //

Governor's Task Force on Children, Youth, and Families Systems Reform (Rescinds Executive Order 01.01.1988.17)

- WHEREAS, Maryland is committed to the well-being of children and to nurturing strong families statewide;
- WHEREAS, Maryland, in order to implement an effective and efficient community-based seamless system of services for children, youth, and families, passed a series of laws which required interagency budgeting, the development of Local Management Boards, and focused, at least initially, on preserving families, diverting youth from out-of-home placements, and returning youth from out of state;
- WHEREAS, While the State, in collaboration with local governments, business leaders, parents and caregivers, the faith community, charitable foundations, and private services agencies, has had some success in meeting these goals, significant obstacles and concerns have arisen regarding statewide reform efforts and the establishment of interagency public/private Local Management Boards in each jurisdiction;
- WHEREAS, The efforts regarding children and family systems reform had been guided by an advisory council under Executive Order 01.01.1988.17, and efforts at children and family systems reform have reached a critical point where decisions need to be made concerning future actions to be taken by a newly appointed task force;
- WHEREAS, In order to ensure the most productive use of funding and services, changes in the current service delivery system are needed, including the prompt development of a system to assure sound financing, proper accountability using measurable outcomes, and resolution of critical administrative and personnel issues for the statewide reform effort; and
- WHEREAS, Existing law demonstrates the State's commitment to producing healthy and strong children, youth, and families, and Maryland must determine how to best implement these goals and make whatever changes may be necessary to ensure that Maryland provides the best system of service for its children, youth, and families;
- NOW, THEREFORE, I, PARRIS N. GLENDENING, GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND THE LAWS OF MARYLAND, HEREBY RESCIND EXECUTIVE ORDER 01.01.1988.17 AND PROCLAIM THE FOLLOWING ORDER, EFFECTIVE IMMEDIATELY:

A. There is a Governor's Task Force on Children, Youth, and Families Systems Reform.

B. Membership and Procedures:

- (1) The Task Force shall consist of:**
- (a) The Lieutenant Governor;**
 - (b) The Special Secretary for Children, Youth, and Families;**
 - (c) The Secretary of Health and Mental Hygiene;**
 - (d) The Secretary of Human Resources;**
 - (e) The Secretary of Juvenile Justice;**
 - (f) The State Superintendent of Schools;**
 - (g) The Secretary of Budget and Fiscal Planning;**
 - (h) The Director of the Office for Individuals with Disabilities;**
 - (i) The Secretary of Housing and Community Development;**
 - (j) The Director of the Office of Planning;**
 - (k) A member of the Senate Budget and Taxation Committee, appointed by the President of the Senate;**
 - (l) A member of the House Appropriations Committee, appointed by the Speaker of the House of Delegates;**
 - (m) A representative of the Office of the Attorney General;**
 - (n) A judge knowledgeable about juvenile court issues, designated by the Chief Judge of the Court of Appeals; and**
 - (o) Twelve members appointed by the Governor as follows:**
 - (i) One representative of the Maryland Association of Counties;**
 - (ii) Six representatives of Local Management Boards;**

(iii) A representative of a charitable foundation supporting improvements in children and family services;

(iv) A representative of a private organization advocating the interests of children and families;

(v) A representative of a private organization supporting the development of resources for children and family services;

(vi) A representative of a labor organization which includes State employees who provide services to children and families; and

(vii) A recipient of services.

(2) The Lieutenant Governor shall chair and be responsible for directing the activities of the Task Force.

(3) The departments and agencies of the Subcabinet for Children, Youth, and Families shall provide necessary staff support for the Task Force, as determined by the Lieutenant Governor. Additional staff resources may be added as needed, including those from county governments and foundations. Funding for the Task Force shall be made available from the Subcabinet Fund under Article 49D, Section 4.3, of the Annotated Code for allowable expenditures, not to exceed \$ 75,000.

(4) In performing its duties the Task Force shall consult members of the Local Management Boards; other appropriate State and local departments and agencies, including representatives of the local education authorities, local health departments, and local departments of social services; private agencies, organizations and service providers; recipients of services, and other organizations and persons knowledgeable about financing and managing children and family services.

(5) Members of the State departments and agencies, Local Management Boards, and State officials and employees shall promptly furnish information requested by the Task Force and shall assist and cooperate with the Task Force.

C. Duties.

(1) The Task Force shall review the effectiveness of the current children and family service systems, the status of system reform efforts, and local, State, and federal laws governing service programs and funding, and shall recommend needed changes.

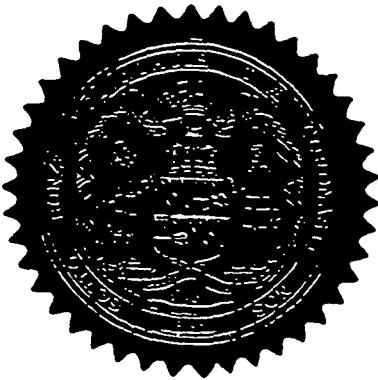
(2) By October 1, 1996, the Task Force shall submit to the Governor an action plan that meets the requirements of the applicable local, State, and federal statutes, regulations, and executive orders; resolves any outstanding personnel issues; addresses fiscal and programmatic accountability, responsibility and outcomes at the State and local

level; and makes recommendations for improved contracts with service providers.

D. By November 1, 1996, the Subcabinet, the State departments and agencies delivering services, the Office for Children, Youth, and Families, and the Local Management Boards shall initiate the actions and steps necessary for implementation of an integrated financing and accountability system and statewide interagency budgeting and funding.

E. The Task Force shall begin its activities on the effective date of this executive order, and terminate on November 15, 1996.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 30 day of April, 1996.



Parris N. Glendening

Parris N. Glendening
Governor

ATTEST:

John T. Willis
John T. Willis
Secretary of State

APPENDIX C

TASK FORCE MEMBERS BIOGRAPHIES

GEORGE BROSAN, is an Anne Arundel County Local Management Board member. Mr. Brosan is currently in corporate security at the Baltimore Gas and Electric Company. He is the former Superintendent of the Maryland State Police under the Hughes Administration. He brings a business focus and years of both State and Federal government experience in the criminal justice system to the Local Management Board.

ALVIN COLLINS, is the Secretary of the Maryland Department of Human Resources. Prior to his appointment, he was Director of the Baltimore City Department of Social Services since June 1, 1992. He was also Chief of Administrative Services for the Department of Human Services in Arlington, Virginia. Mr. Collins previously served as Business Manager of the Baltimore City Department of Social Services from August 1980 to September 1989. He received his Bachelor's Degree from Southern Connecticut University, a Master's Degree in Education from Harvard University, and a Post Master's Degree from the University of Maryland School of Social Work.

DONNA EDWARDS, is the President of American Federation for State and County Municipal Employees (AFSCME) Council 92 and AFSCME Local 112. She has served as President of Local 112 and Maryland Social Service Employees Union since 1984. She was appointed to the AFSCME International Professional Committee to represent Social Workers in 1986 until this time. Ms. Edwards was appointed by Governor Glendening to serve on his transitional team for Human Services. Beyond her union responsibilities, Ms. Edwards has been a full-time employee of Baltimore City Department of Social Services since 1977. She holds a Bachelor's in Social Work from the University of West Virginia at Morgantown and a Masters in Social Work from the University of Maryland.

KATHLEEN FEELY, is an Associate Director of the Annie E. Casey Foundation. She is responsible for the area of Child and Family Systems Reform. Prior to joining the Foundation in 1990, Ms. Feely served as Senior Consultant with the Center for the Study of Social Policy in Washington, D.C. For the previous seven years she was the Deputy Commissioner for Planning and Program Development for the New York City Department for Juvenile Justice, where among other accomplishments, she developed DJJ Family Ties, a family preservation program based on the Homebuilders model that serves as an alternative to incarceration for adjudicated delinquents. While there, she also designed the agency's award winning case management system and designed and managed DJJ's voluntary, community-based Aftercare program, the first of its kind in the country.

DONNA GAITHER, is the President of the Baltimore City Local Management Board. She is also the Executive Director of the Baltimore City Commission for Women. She is responsible for the development, analysis and implementation of policies, research and legislation that improves the status of women in the city. Ms. Gaither is also a member of the Mayor's cabinet, the Mayor's human services cabinet and the Empower Baltimore subcabinet. She has been involved in such activities as developing a sexual harassment policy for Baltimore City

government employees and facilitated the 25 member Commission's research and advocacy efforts that resulted in the implementation of a family leave policy for city government employees. Ms. Gaither is a member of the Community Resource Board for the Junior League of Baltimore, Inc. and a member of the Board of Directors for *Man Alive, Inc.*

NANCY GRASMICK, has been the State Superintendent of Schools since September 1991. Under Dr. Grasmick's leadership, Maryland has set a new course in school reform, early childhood programs, prevention and early intervention for children and their families, services learning, and teaching education. Over the past 30 years, Dr. Grasmick has held a variety of positions in education and public service including teacher, principal, public school administrator, Special Secretary for Children, Youth and Families, and Secretary of Juvenile Services. She is a member of many national and state organizations and boards including the Council of Chief State School Officers, the Education Commission of the States Steering Committee, the Maryland State Board of Education, the interagency Committee on School Construction, the Governor's Workforce Investment Board, the Maryland Business Roundtable for Education and many others. Dr. Grasmick has a B.S. degree from Towson State university, an M.S. degree from Gallaudet University, and a Ph.D. from Johns Hopkins University.

BARBARA HOFFMAN, is a State Senator from the 42nd district representing Baltimore City and Baltimore County. Senator Hoffman was appointed to replace Senator Rosalie Abrams in 1983. In 1990, she was named Vice-Chair of the Senate Budget and Taxation Committee and the Chair of the Subcommittee on Health, Education and Human Resources. After the 1994 election, she became Chairperson of the Budget and Taxation Committee. As a member of the fiscal leadership of the General Assembly, Senator Hoffman serves on the Legislative Policy Committee and is the Senate Chairperson of the Spending Affordability Committee. Senator Hoffman's legislative interests are primarily focused on the state budget, with special regard to those areas of health, education and human resources that are preventive in nature such as child care and reform of the social service and health systems.

JOAN KARASIK, is a member of the Montgomery County Local Management Board assigned to the Systems Reform Initiative subcommittee. Ms. Karasik is the parent of a developmentally disabled adult. She has been a community activist for many years. She is a formal member of the state and national ARC organization and a member of the Mental Health Association of Maryland's Children's Committee for the last seven years.

RONALD KREITNER, is the Director of the Maryland Office of Planning, the agency responsible for coordinating Maryland's physical development and natural resource preservation programs. The agency coordinates the implementation of Maryland's growth policy under the Economic Growth, Resource Protection and Planning Act of 1992. Before assuming this position in 1989, Mr. Kreitner served on the Governor's staff as physical Development Coordinator. Previously, he held a variety of planning and development positions with the City of Baltimore.

SUSAN LEVITON, is an Associate Professor at the University of Maryland School of Law. She serves as a Commissioner of the Maryland Human Relations Commission and is Founder and Chair of Advocates for Children and Youth, a statewide child advocacy organization. Her areas of expertise include child abuse and neglect, special education, and juvenile delinquency. Ms. Leviton has lobbied extensively on behalf of children and families and has published numerous books and articles on related subjects. She was the recipient of the American Bar Association's Third Annual Child Advocacy Award and the Maryland Chapter, American Academy of Pediatrics Child Advocacy Award. She is a graduate of the University of Maryland School of Law and presently runs a clinic where students represent children in the Juvenile Court and in Special Education proceedings.

JAMES McCOMB, is the Executive Director of the Maryland Association of Resources for Families and Youth (MARFY). From 1979 to 1989, Mr. McComb was the Executive Director of the Edgemoade Residential Treatment Center in Upper Marlboro, Maryland. From 1975 to 1978 he served as Administrator for Contracts and Services with Youth Resources Centers, Inc. in Roanoke, Virginia. From 1970 to 1975 Mr. McComb was the Executive Director of Ohio Center for Youth and Family Development, a residential treatment center for mentally ill and severely emotionally disturbed adolescents in Ohio. Currently, Mr. McComb is a member of the Governor's Task Force on Juvenile Justice Reform and a member of the State Planning Team for Systems Reform. He is also a member of the Anne Arundel County Local Management Board.

JOHN (JACK) MEAD, is the Executive Director of Pupil Services for Harford County Public Schools. In that capacity Mr. Mead is responsible for the administration of special education, psychological guidance, health, and pupil personnel services. Mr. Mead has worked in Harford County for 31 years as a teacher, assistant principal, high school principal, supervisor, and for the last seven years as the Executive Director of Pupil Services. He was among those who initiated the Systems Reform initiative in Harford County and has served as President of the Local Management Board since its inception.

MARGARET MYERS, is the President of the Commissioners of Caroline County. Prior to being elected to her first term in 1990 she was active on numerous boards and committees with primary involvement in education, social services and housing issues. In 1994, Ms. Myers received the Mid-Shore Council on Children, Youth and Families Leadership award for exceptional commitment to the children and families of the Mid-Shore. She also received a Governor's Citation in 1994 in recognition of outstanding service in developing and implementing solutions to the problems of homelessness in Caroline County.

NORMAN PARKER, JR., is the Deputy Attorney General for the State of Maryland. After nine years of holding several positions in the Office of the Attorney General, in 1993, Attorney General J. Joseph Curran, Jr. appointed Mr. Parker Deputy Attorney General, one of two such executive positions. Mr. Parker's primary responsibilities are to oversee the State's legal advice in business matters and supervision of the Attorney General's staff in various departments, including the administration of the Central Office.

PATRICIA PAYNE, is the Secretary of the Maryland Department of Housing and Community Development (DHCD). She possesses experience in areas ranging from housing finance and community development to urban renewal and neighborhood revitalization. Prior to her appointment, Ms. Payne held several positions within DHCD, including Deputy Secretary. From 1981 to 1988, she served as Director of rental housing programs, homeownership programs and policy and governmental relations for the Community Development Administration (CDA), DHCD'S housing finance agency. Before coming to DHCD, Ms. Payne worked with the Federal Department of Housing and Urban Development (HUD) where she helped two new programs, implemented in 24 major U.S. cities, designed to address the affordable housing crisis.

FRED PUDDISTER, is Secretary of the Department of Budget and Management. In this position, he serves as the principal advisor to the Governor and the Chief of Staff on issues related to state budget and tax policy, education and economic development. He is responsible for budget development, supervision of budget execution, revenue estimating, coordination of State information processing, telecommunications and personnel. Prior to serving as Secretary, Mr. Puddister served as Deputy Chief of Staff to Governor Glendening, Deputy Secretary of the Department of Budget and Fiscal Planning, and Director of Finance for the Department. Mr. Puddister also served as the first Director of the state's Water Quality Financing Administration and was a fiscal analyst for the Maryland General Assembly for nine years.

CONSTANCE PULLEN, is the Executive Director of *For All Seasons, Inc.*, a regional mental health agency specializing in Rape Crisis, Sexual Abuse, AMAC (Adults Molested as Children) Services, and General Counseling. From 1989 to 1992 Ms. Pullen had a private psychotherapy practice in Easton, Maryland. She was also a clinical social worker at the Psych/Detox Unit, Memorial Hospital at Easton. From 1987 to 1989, Ms. Pullen was an administrator of the child sexual abuse program at the Talbot County Department of Social Services. She is certified in clinical hypnotherapy and a parent effectiveness trainer. Ms. Pullen is also the President-Elect of the Talbot County Board of Mental Health.

BEATRICE RODGERS, is the Director of the Governor's Office for Individuals with Disabilities. She was appointed to the position in November 1995. Before assuming this position, she worked for the Prince George's county government as Division Director of the Individuals with Disabilities Division, Prince George's County Department of Family Services and Executive Director of the Prince George's County Commission for Persons with Disabilities. Ms. Rodgers was also involved with the local Prince George's County Systems Reform Initiative from its inception until early 1994.

STUART SIMMS, is the Secretary for the Department of Juvenile Justice. Mr. Simms began his legal career in 1975 at the Baltimore law firm of Semmes, Bowen and Semmes. In mid 1977, Mr. Simms served as Staff Counsel to U.S. Senator Paul Sarbanes in Washington, D.C. Following his service on Senator Sarbanes' staff in 1978, Mr. Simms spent four years as an Assistant U.S. Attorney for the District of Maryland prosecuting numerous cases involving bank robbery, mail fraud, drug violations and tax evasion. In 1983, Mr. Simms was appointed by

then State's Attorney Kurt Schmoke as Deputy State's Attorney for Baltimore City. In 1987, the judges of the Circuit Court for Baltimore City voted unanimously to appoint Mr. Simms to serve as State's Attorney for Baltimore City. He was unopposed in his successful elections in 1990 and 1994 to retain the post. In January 1995, Mr. Simms was appointed Secretary of the Department of Juvenile Services. He is a member of numerous Bar Associations and maintains a life membership in the NAACP and the Urban League.

JOLENE SULLIVAN, is the Director of the Carroll County Department of Citizen Services. Her responsibilities include overseeing the Bureau of Aging, Bureau of Housing and Community Development, Volunteer Services Unit, and Children and Youth Unit. She also serves as the liaison for the Board of County Commissioners to the Human Services Programs, Youth Services Bureau, Department of Social Services, Rape Crisis Center, and Family and Children's Services that operates the sexual abuse program for Carroll County. In June 1994, Ms. Sullivan was instrumental in the creation and administration of the County's Local Management Board.

LINDA THOMPSON, is the Special Secretary for Children, Youth and Families for the State of Maryland. As Special Secretary she is the lead cabinet official of the Subcabinet for Children, Youth and Families, which is legislatively mandated to assess the effectiveness of Maryland's system for delivering services to children, youth and families and to make recommendations for improving existing services. Prior to her appointment with the State, Dr. Thompson was Associate Professor and Chair of the Department of Maternal and Child Health at the University of Maryland School of Nursing in Baltimore. She is a strong advocate of prevention and early intervention as a way to address problems before they become crisis and a proponent of comprehensive strategies to deal with many existing problems. She has been a leader on several community-based research and demonstration programs including one that focused on the health needs of incarcerated children that resulted in a book entitled *Hard Time Healing Hands: Developing Primary Health Care Services for Incarcerated Youth*. This book received an honorable mention in the distinguished Service Award category from Washington Express for its outstanding treatment of a major public concern.

KATHLEEN KENNEDY TOWNSEND, is the Lieutenant Governor for the state of Maryland. Mrs. Townsend was appointed by Governor Parris Glendening as the Chair of the Governor's Task Force on Children, Youth and Families Systems Reform. She has made it her mission to build safe communities across the state through a comprehensive strategy of effective punishment, policing and prevention. The backbone of the strategy is to create new partnerships between citizens, police, the business and religious communities and government agencies. To develop and oversee the state's anti-crime efforts, Governor Glendening appointed her as Chair of the Cabinet Council on Criminal and Juvenile Justice, which consists of nine cabinet secretaries and the Attorney General. Mrs. Townsend is a long time advocate for children and families, a lifelong champion of environmental conservation, and a strong proponent of international trade and economic development.

MARTIN WASSERMAN, M.D., J.D., is the Secretary for the Department of Health and Mental Hygiene. One of the first steps he took as Secretary was to work with Governor Parris

Glendenning to support Maryland's workplace smoking ban. He has been a staunch anti-smoking advocate for many years, and in 1993 organized a statewide coalition against smoking. Dr. Wasserman, a board-certified pediatrician, graduated from the Johns Hopkins School of Medicine in 1968. Later, while medical director at Baltimore's Mt. Washington Pediatric Hospital, he studied law at night, earning his law degree in three years, with honors, from the University of Maryland at Baltimore. For four years before being named the state's top health official in December 1994, Dr. Wasserman was Health Officer for Prince George's County where he managed the entire range of health programs for the urban-suburban metropolitan Washington, D.C. community with a diverse population of nearly 750,000. Before that, he served in the same capacity in Montgomery County, Maryland's most populous jurisdiction.

WINIFRED WILSON, is the Executive Director of the Commission for Children, Youth and Families for Prince George's County where she has served since July 1992. She is a consultant, advisor, facilitator and trainer in the field of child welfare with a particular emphasis on organizational change and has assisted a wide range of public and private agencies nationwide. A graduate of Michigan State university and Columbia University, Ms. Wilson has over twenty years of experience in the management and administration of child and family services including seven years as the Deputy Director of the Center for Program Excellence with the Child Welfare League of Maryland. She brings a varied professional background to her work such as research, strategic planning, program evaluation, community planning and board development.

MARTIN WELCH, is an Associate Judge for the Circuit Court of Baltimore City. Judge Welch was admitted to the Maryland Bar in 1980 and to the United States District Court for the District of Maryland in 1981. From 1980 to 1992 he was an attorney in the Baltimore City Law Department holding various positions including Chief of the Corporate Division. Judge Welch is a member of the Board of Directors for Catholic Charities, a member of the Monumental Bar Association and a member of the Board of Directors for the Baltimore City Foundation, Inc. Judge Welch holds a Bachelors Degree in Political Science and Social Science from Frostburg State University and a J.D. Degree from the University of Maryland School of Law.

APPENDIX D

Governor's Task Force on Children, Youth, and Families Systems Reform

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APPENDIX E

DRAFT DISCUSSION PAPER
"THE CHARACTERISTICS OF AN IDEAL SYSTEM"
FROM THE JULY 3 FISCAL SUBCOMMITTEE MEETING

At the July 3 Fiscal Subcommittee meeting, members identified 13 characteristics of ideal system for the delivery of services to children and families in the State of Maryland. The discussion draft is an initial attempt to further articulate the substance behind these characteristics.

**1.) One entity with authority and responsibility to make program and fiscal decisions
-- to improve outcomes for kids and families**

Concern Addressed-- Lack of accountable entity for program/fiscal decisions at the State and local levels

Within the deliberations of the Subcommittee, concern has been raised regarding the absence of a single entity, both at the State and local levels, in determining the ultimate responsibility and accountability for the delivery of services and programs under the systems reform initiative (SRI).

At the State level, it is perceived that the Subcabinet for Children, Youth and Families is ultimately responsible for the fiscal and programmatic decisions under systems reform. The Governor's Office for Children, Youth, and Families has provided staff support to the Subcabinet in carrying out the reform agenda. As a result, OCYF has been singled out as the administrative agency responsible for SRI programmatic and fiscal activities.

At the local level, the local management boards (LMBs) have served as the overseer of SRI activities within the jurisdiction. The LMBs and the SRI administration has been operationalized in different ways, whether through the development an independent government agency, as apart of the local government, or as a non-profit entity.

Given the interagency nature of the programs and services under the SRI, ultimate responsibility for the programmatic and fiscal decisions made has been, at best, unclear. This characteristic seeks to clearly identify an existing or new governance entity, at both the State and local levels, to assume responsibility for the reformed system that is recommended by the Task Force.

2.) Decisionmaking at the local level within the context (parameters) of Statewide decisions

Concern Addressed: Clear definition of what decisions get made by whom.

The Subcommittee has begun to reach consensus on the desire to place as much decisionmaking authority with the local entity (as defined in **Characteristic 1**) as possible, and redefine the State role in manner consistent with **Characteristic 10**.

With this consensus in mind, the State needs to determine its role(s), ensure stable funding streams to the locals, and develop a strong audit function to monitor the appropriate expenditure of funds. The locals need to ensure that capacity is developed to handle the increased responsibilities associated with the increased decisionmaking authority.

3.) Responsible entity has authority and responsibility for auditing

Concern Addressed-- Adequate capacity at the State and local levels to ensure appropriate services are being provided to children and families and funds are being spent in a proper manner

As the Task Force moves towards a results-based service delivery system, a vital exercise at both levels of governance will be a strong and viable audit function. The audit functions should not be duplicative, but rather complimentary. The audit function needs to review both program utilization as well as fiscal management. Finally, the audits should serve as the basis for future programmatic and fiscal decisionmaking.

4.) Broad-based (including consumers) input on service delivery within a community plan

Concern Addressed-- Assuring the participation of a wide variety of interested parties in the design and implementation of a community service delivery system

As the Task Force continues to deliberate on reforming the current service delivery systems, it is apparent that any new system(s) will have to be adaptable to the uniqueness of each jurisdiction. As communities may be asked to design and develop community plans for implementing a new delivery systems(s), the input of a wide variety of community interests will need to be considered. The local entity that is designated as the primary focal point of this effort will need to ensure that all interested parties will have a "voice at the table" as the community moves forward with a reformed system(s).

5.) Program and funding decisions are results-based

Concern Addressed-- Base decisions for programs and funds on what works and what does not work

The Program Subcommittee has recently completed its initial work on developing outcomes and indicators that will measure the success of the programs delivered under reformed service delivery system(s). The Task Force has expressed its desire to see program and funding decisions based on the jurisdictions' abilities these outcomes, over a period of several years. Success or failure to met these outcomes should serve as the basis for local and State decisionmaking.

6.) Local flexibility in achieving these results

Concern Addressed-- The local jurisdictions should be given as much flexibility as possible in making the programmatic and fiscal decisions in order to meet the agreed upon results.

This is closely related to **Characteristic 2**. Again, if the locus of decisionmaking is to be primarily at the local level, then it is important that the local entity be given the flexibility to make decisions respond to the community's needs and that achieve the desired results.

7.) Clear process and document that ties into budgeting decisions

- **agreed and signed prior to fiscal year**
- **consistent with General Assembly budget**
- **subject to revision**
- **initial agreement must have solid baseline data**
- **contingency funding arrangement**

Concern Addressed-- Development and implementation of a process and supporting document the clearly spells out the responsibilities of the State and local entities within the new service delivery system.

This is closely related to **Characteristics 6 and 12**. The ideal is for the local entity to undergo a planning process for the purpose of identifying how the jurisdiction will meet the outcome and indicators. The plans are then approved by the State (either the single State entity or the Subcabinet). The plans then become part of the grant agreement that is negotiated (agreements may be extended on a biennial basis). The budgetary pieces that are part of the agreement are incorporated into the annual budget process at the State.

A contingency funding arrangement can occur several ways:

- A.) The traditional supplemental/deficiency budget process
- B.) The dedication of new resource streams to the systems reform effort
- C.) The apportionment of a piece of the existing funding resources to serve as a contingency fund source
- D.) The development of individual jurisdictional contingency funds, based on projections of savings (this could be regionalized)
- E.) Further development of capitated rates for services and populations served

A critical element of the funding arrangement is the development of a solid and accurate initial baseline of populations served and dollars spent. The baseline would then be periodically updated either through a normal budget process or through the planning process (either annually or biannually).

Finally, adjustments would be made at agreed upon points in time to reflect actual data and/or the desire to take any action (i.e.-- adjust populations served or dollars spent).

8.) Two evaluations-- Program and Accounting-- that are independent of each other

Concern Addressed-- Development of programmatic and accounting (fiscal) evaluation functions that are complimentary.

Independent of the audit function described above, there is an expressed desire to develop a strong evaluation component to the whole process. The component would be made up of two independent, yet complimentary activities:

a.) The program evaluation

The purpose of the program evaluation would be to take a multi-year, comprehensive look at the reformed system to determine its effectiveness in meeting the desired outcomes. The evaluation, to be conducted by an independent source (i.e.-- legislative auditors, foundations\think tanks, consultants), would serve as a resource to policymakers in making program\service\system adjustments.

b.) The accounting evaluation

Unlike the specific annual audits described above, the accounting evaluation would also be a multi-year comprehensive review of the dollars that are spent. As with the program evaluation, the accounting evaluation would be done by an independent source.

An important advantage of these documents would be the ability to provide a longitudinal perspective on the services and programs delivered to children and families, since many of these services\programs are offered on a multi-year basis.

9.) Audits don't drive programs

Concern Addressed-- Assuring constructive and flexible responses to audit findings.

The nature of the audits and their findings, whether long-term or short-term, should not be punitive in nature, but rather provide an opportunity to correct problems that may arise and assure that the local entities are given flexibility in resolving the issues raised.

10.) State role is one of enhanced technical assistance

Concern Addressed-- Ensuring that local jurisdictions receive adequate technical assistance as they move into their enhanced role.

In achieving the other characteristics noted above, primarily the enhancement of local

jurisdiction's authority in the provision of services and control over the funds, the shift of responsibility from the State level to the local levels requires a strong technical assistance program be developed at the State level. Such a program may utilize either an interagency team approach or the single entity in providing the technical assistance. The technical assistance teams may also be broken down into financial, programmatic and evaluation teams, depending on the needs expressed by the locals, either through their planning processes or through close communications with the State entity. In any event, a commitment to ongoing, expert, and consistent technical assistance will be a primary role at the State level.

11.) Locals keep savings for capacity building for meeting outcomes

Concern Addressed-- As local jurisdictions provide services in a more effective and efficient manner, any savings that are realized will be retained by the locals for capacity development

In theory, the previous SRI efforts has had as a basic tenet the ability of locals to generate savings and to use the savings for capacity building. In this era of flat State budgets and increased pressures to provide services\programs to greater populations, the renewed emphasis on this characteristic is noted. Specifically, this characteristic will allow efficient and effective jurisdictions to realize real savings that may accrue and provide them the flexibility to spend the funds for capacity building, as opposed to returning funds to the State coffers for other purposes. It will be incumbent upon the State to avoid this temptation while ensuring that funds are being appropriately spent for needed services.

12.) Multi-year plans and budgets

Concern Addressed-- In recognition that achieving desired results may take years, development of a planning and budgeting system that is future-oriented and multi-year in nature.

An important consideration with this characteristic is the short-term nature of government decisionmaking in general, and the annual appropriation process employed by Maryland in specific. However, as the Task Force moves forward with the results-based concepts for program\service delivery, the desire to utilize a multi-year planning and budgeting process is necessary.

Such a planning and budgeting process could be required by the Governor or the General Assembly as part of the budget process. Much like the Federal planning processes, such a multi-year approach may "rolling " in nature and/or subject to revisions based on the above characteristics. However, the desire to see the reformed system beyond a single-year horizon is critical.

13.) Local elected government sign-off of plans developed by managing entity

Concern Addressed-- To gain the support for local planning and budgeting under the

reformed service delivery system, ensure that the local governments have an active and continuing role in the planning and implementation processes.

Accountability for the funds appropriated by the General Assembly is an important consideration with this characteristic. Equally important is a recognition of the increased authority of the local jurisdictions in providing the programs/services to the members of their communities.

With these considerations in mind, it is important that the local governments (specifically county commissioners and/or county executives) have an active and continuing role in the planning and budgeting processes. The existing gap between local governance structures needs to close to ensure one community voice in the implementation of a reformed service delivery system.

APPENDIX F

Issues to be addressed in Core Standards include:

1. **Governance:** There must be a clear and compelling standard governing membership and selection of a community board . The responsibilities and authority of a community board and its relationship to local government and public agencies must be clearly defined.
2. **Community Planning:** Standards for community planning should provide a framework for plan development and should guide planning efforts and ensure that certain planning steps are common to all local planning efforts. Planning for Systems Reform should be supported with technical assistance.
3. **Resource Allocation:** In providing funds to local jurisdictions, the State must have a standard for ensuring a fair and equitable distribution of fiscal resources which can accommodate change, e.g. disproportionate population growth, significant changes in the distribution of wealth/poverty, etc. The standard must encourage creativity, innovation and a commitment to prevention and must ensure that local jurisdictions are not penalized for their successes.
4. **Service Delivery:** Local jurisdictions must be accountable for providing mandated services and protecting vulnerable populations. Standards must specify roles and responsibilities for meeting current and future federal and state mandates. Along with a shift in responsibility for service delivery from the State to local jurisdictions, there must be a corresponding shift in funding. In developing service delivery standards, an emphasis should be placed on outcomes, not process. Local jurisdictions should be supported in their efforts to innovate in their delivery of mandated services.
5. **Accountability for Outcomes:** All local jurisdictions should be held accountable for achieving certain common outcomes such as . For example, improved performance in child and family wellness indicators identified in Maryland KIDS COUNT. Accountability must be measured through a systematic evaluation of outcomes achieved through services purchased or provided by local jurisdictions.
6. **Eligibility and Entitlements:** Standards should be developed by State agencies and must ensure minimum eligibility for and/or entitlement to services for vulnerable populations. Minimum standards must be common to all local jurisdictions and must ensure certain legal protections and procedures, e.g., grievances and the right to appeal decisions.
7. **Single Point of Entry:** At a minimum, a single point of entry should allow for: a) the development of a single, family focussed service plan whenever possible; b) interagency, inter-disciplinary case management; c) development of and commitment to outcome-based case management; and d) the effective coordination of public/private/volunteer community resources. Single points of entry should

allow for "one-stop shopping" and must be "user friendly" and accessible to citizens who need services.

8. **Outcome Based Case Management:** A single, statewide, multi-agency standard must be developed to ensure that case management and case/service plans are outcome based, that responsibilities for actions required by case/service plans are clearly identified and structured to allow and require accountability for achieving identified outcomes
9. **Needs Assessment:** Standards should require on-going assessment of child/family/community needs (defined by the child/family community) and should require that need assessment is driving resource development and the use of community resources. The need for needs assessment should never be used as a defense for inaction.
10. **Resource Development:** Standards should support and reinforce development which is responsive to the needs of children, families and communities as determined through needs assessment. Standards should emphasize the importance and the priority of restructuring and redirecting existing service resources where there are inefficiencies or a lack of demonstrated effectiveness.
11. **Program and Service Quality Assurance:** Programs and services receiving any public funds must be consistently monitored and must continually meet minimum standards. Standards should define the relationship and mutual responsibilities of state licensing agencies, child/family consumers and local jurisdiction payers for evaluating program and service quality and provider compliance with established standards.
12. **Service Accessibility:** There must be standards that ensure that community services are available when and where they are needed and that reasonable accommodations are made for populations with special needs. Standards should require a periodic survey of service users - child/family consumers - to ensure that adequate accessibility is maintained.

APPENDIX G



MEMO TO: Members - Governor's Task Force on Children,
Youth, and Families Systems Reform

FROM: Kathleen Kennedy Townsend **KKT**
Lt. Governor

RE: Update on FY '97 issues needing to be resolved between the Office for
Children, Youth, and Families and the local jurisdictions

DATE: July 18, 1996

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Here is an update on the issues raised at our last Task Force meeting. I requested a series of meetings between representatives of the local jurisdictions and the Subcabinet agencies to resolve issues involving the Fiscal Year 1997 budget, including the appropriate allocation of funds to the local management boards and the ability of the local jurisdictions to provide services at a level consistent with the status quo.

We held four meetings to reach a consensus on the initial allocation of funds to the 15 jurisdictions with operational systems reform sites as well as on the partial allocation of the remaining \$59 million. Attached is a chart detailing the initial allocations for each jurisdiction.

Representatives of the Subcabinet agencies and the local jurisdictions have agreed to the following key decision points:

- \$37.5 million of the FY 97 Subcabinet pool represents funds to cover family preservation, return/diversion, and out-of-state placements for the 15 operating local jurisdictions and a portion of the out-of-state placement funds for an additional three jurisdictions.
- For the first quarter of FY 1997, family preservation services will be based on a rate of \$8984 per family.
- Annualized Residential Treatment Center state general fund dollars (backpack) will follow children from an out-of-state placement back to a jurisdiction and are available for service delivery.
- For children designated as diversions by the Local Coordinating Council, there will be diversion money available at the current rate for up to two years of diversion services.

- Out-of-state placements will be paid by the State agencies based on reimbursement from the Subcabinet Fund during FY '97, except where pilot projects may be negotiated.
- To ensure no disruption of services during Task Force deliberations, a portion of the \$59 million will have been expended to maintain services at their current (FY '96) level.

In addition, because annual agreements are made with the Youth Service Bureaus, approximately \$2 million will be set aside to honor these commitments.

The remaining portion of the Subcabinet Fund will be allocated according to the recommendations of the Task Force. However, as the Task Force moves forward the following points will be considered:

- Funds need to be identified for the implementation of local systems reform operations in the remaining nine jurisdictions.
- The remainder of the Subcabinet Fund is currently tied to the provision of services for existing service populations and does not represent any new money.

While consensus has been reached on a number of immediate concerns, State and local representatives will now meet on a monthly basis to address the additional issues identified at the June 21 meeting as items needing attention. Sylvia Hamlett-Law of the Office for Children, Youth, and Families and Sally Dolch of the Mid Shore Council on Children, Youth, and Families were selected as the State and local contacts for the group. They will work together to prepare the agendas for these joint meetings which will be held the last Tuesday of each month from 2 - 4 p.m.

I look forward to keeping the Task Force fully informed of this group's continued progress. If you have any questions about the attached materials, please do not hesitate to contact me at (410) 974-2804 or Colleen Mahony at (410) 974-5394. Thank you.

Enclosures

DECISION NOTES FROM:

SUBCABINET STAFF COMMITTEE MEETING
WITH LOCAL MANAGEMENT BOARDS

Thursday, July 11, 1996

I. Overall Funding Decision Points

- A. Local Management Boards will be held harmless, both staff and capacity, for first quarter of Fiscal Year 1997.
- B. The \$37.5 million represents funds to cover family preservation, return/diversion and out-of-state placements for 15 jurisdictions and a portion of the out-of-state placement funds for an additional three (3) jurisdictions.

Note: The 15 jurisdictions include: Allegany, Anne Arundel, Baltimore City, Calvert, Caroline, Cecil, Dorchester, Garrett, Harford, Kent, Montgomery, Prince Georges, Queen Anne's, Talbot and Worcester.

- C. The remaining Fiscal Year 1997 Subcabinet Fund (approximately \$59 million) will be allocated per Governor's Task Force recommendations.
 - 1. For the first half of Fiscal Year 1997, services and staff that are part of the \$59 million will not be disrupted;
 - 2. The Task Force will recommend the allocation of remaining funds
- D. The State is committed to providing sufficient dollars for all jurisdictions for planning and administration costs.
(This issue raises significant policy questions, therefore, the Task Force shall develop a policy recommendation.)

II. Family Preservation Decision Point

- A. For first quarter of Fiscal Year 1997, family preservation services will be based on a rate of \$8984 per family.
- B. Local Management Boards will be paid up to 25% of their capitated Family Preservation annualized number for the first quarter of Fiscal Year 1997.

III. Children Returned From Out-of-State Placements Decision Points

- A. Annualized RTC state general fund dollars (backpack) will follow children from an out of state placement back to a jurisdiction and are available for service delivery.
- B. Dollars (at the backpack rate) are available for two full years from date of child's return in-state, while the child remains in service.
- C. For children returned, if after two years, an extension of services is agreed by Local Coordinating Council, reimbursement will be provided based on actual cost of services.

IV. Children Diverted From Out-of-State Placements Decision Points

- A. For children designated as diversions by the Local Coordinating Council, there will be diversion money available at the current designated rate for up to two years of diversion services.
 - 1. During Fiscal Year 1997, an interagency state/local committee will perform a cost analysis of current diversion rates to determine (to be completed by March, 1997) :
 - a) whether the nature of the system distorts the number of children designated for diversion services
 - b) whether the reimbursement rate is appropriate given actual state costs
 - c) other issues as appropriate (to be defined)

- B. For children diverted, if after two years, an extension of services is agreed upon by the Local Coordinating Council, reimbursement will be provided based on actual cost of services.

V. Children Remaining in Out-of-State Placements Decision Point

- A. Out-of-state placements will be paid by the State agencies based on reimbursement from the Subcabinet Fund during Fiscal Year 1997, (except where pilot projects may be negotiated)

VI. New Diversions Decision Point

- A. The State is committed to diverting children from out-of-state placements beyond what is approved in the local plan as long as the cost for each diversion is not significantly higher than the out-of-state placement for that child.
(This issue raises significant policy questions, therefore, the Task Force shall develop a policy recommendation.)

VII. New Jurisdictions Decision Point

- A. No new jurisdictions will be operational prior to January, 1997
(It is recommended that by October 15, 1996, new jurisdictions will be informed of Fiscal Year 1997 allocations for service provision.)

NOTES: Fiscal Year 1997 Allocations

In order to initiate the process so LMBs may receive funds as soon as possible, the Local Management Board representatives agreed to accept the amounts as presented on the proposed grant award chart (attached) for allocation of the FY'97 first quarter draw.

Sally Dolch, Director for the Mid Shore Council on Children, Youth and Families was selected as the contact person for Local Management Boards for agenda items for the joint meetings.

Sylvia Law, Director for the Office for Children, Youth and Families, will be the Subcabinet contact person for agenda items for the joint meetings.

Meetings will be held the last Tuesday of each month from 2 - 4 p.m.

